

82-1090

SUMPTER TOWNSHIP, MICHIGAN

AUDIT REPORT

APRIL 1, 2003 - MARCH 31, 2004

POST, SMYTHE, LUTZ & ZIEL LLP

Certified Public Accountants

Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended.

Local Government Type <input type="checkbox"/> City <input checked="" type="checkbox"/> Township <input type="checkbox"/> Village <input type="checkbox"/> Other		Local Government Name SUMPTER TOWNSHIP	County WAYNE
Audit Date MARCH 31, 2004	Opinion Date JULY 9, 2004	Date Accountant Report Submitted to State: SEPTEMBER 29, 2004	

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.

We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

You must check the applicable box for each item below.

- ☐ Yes ☒ No 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements.
- ☐ Yes ☒ No 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980).
- ☐ Yes ☒ No 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended).
- ☐ Yes ☒ No 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act.
- ☐ Yes ☒ No 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]).
- ☐ Yes ☒ No 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit.
- ☐ Yes ☒ No 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year).
- ☐ Yes ☒ No 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241).
- ☐ Yes ☒ No 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95).

We have enclosed the following:

	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.	X		
Reports on individual federal financial assistance programs (program audits).			X
Single Audit Reports (ASLGU).			X

Certified Public Accountant (Firm Name) POST, SMYTHE, LUTZ & ZIEL LLP, CERTIFIED PUBLIC ACCOUNTANTS			
Street Address 35110 E. MICHIGAN AVE.		City WAYNE	State MI
Accountant Signature <i>Ronald H. Traskos</i>		ZIP 48184	Date 9/29/04

RONALD H. TRASKOS, C.P.A.

Sumpter Township
Annual Financial Report
For the Year Ended March 31, 2004

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For the Year Ended March 31, 2004

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POST, SMYTHE, LUTZ & ZIEL LLP

Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

July 9, 2004

To the Township Board
Sumpter Township
Belleville, Michigan 48111

We have audited the accompanying general purpose financial statements of Sumpter Township, Michigan, as of and for the year ended March 31, 2004, as listed in the table of contents. These financial statements are the responsibility of Sumpter Township, Michigan, management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of Sumpter Township, Michigan, as of March 31, 2004, and the results of its operations and the cash flows of its proprietary fund type for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated July 9, 2004, on our consideration of the Sumpter Township, Michigan internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

Respectfully submitted,



POST, SMYTHE, LUTZ & ZIEL LLP
Certified Public Accountants
Wayne, Michigan

Sumpter Township
Combined Balance Sheet - All Fund Types and Account Groups
March 31, 2004
With Comparative Totals for March 31, 2003
(Page 1 of 2)

	Governmental Fund Types			
	<u>General</u>	<u>Special Revenue</u>	<u>General Debt Service</u>	<u>Capital Projects Fund</u>
<u>ASSETS AND OTHER DEBITS</u>				
Assets:				
Cash and Cash Equivalents	\$ 50,918	\$ 2,502,998	\$ --	\$ --
Receivables:				
Taxes	24,542	102,252	22,364	--
Accounts	224,734	268,628	--	--
Special Assessments - Current	--	--	32,820	--
Due from Other Funds	629,328	166,355	43,523	58,627
Due from Other Governmental Units	--	86,592	--	--
Inventory (at cost)	--	179	--	--
Prepaid Items	15,324	793	--	--
Restricted Assets:				
Cash and Cash Equivalents	--	--	--	--
Taxes Receivable	--	--	--	--
Due from Other Funds	--	--	--	--
Deferred Charges	--	--	--	--
Fixed Assets - Net of Accumulated Depreciation	--	--	164,103	--
Construction in Progress	--	--	--	--
Other Debits:				
Amount Available in Debt Service Fund	--	--	--	--
Amount to be Provided for the Payment of Long-Term Debt	--	--	--	--
Total Assets and Other Debits	<u>\$ 944,846</u>	<u>\$ 3,127,797</u>	<u>\$ 262,810</u>	<u>\$ 58,627</u>

The accompanying notes are an integral part of this statement.

Proprietary Fund Type	Fiduciary Fund Type	Account Groups		Totals (Memorandum Only)	
		General Fixed Assets	General Long-Term Debt	March 31, 2004	March 31, 2003
<u>Enterprise</u>	<u>Trust & Agency</u>				
\$ 1,264,629	\$ 1,684,270	\$ --	\$ --	\$ 5,502,815	\$ 4,620,232
--	--	--	--	149,158	120,349
326,879	24,173	--	--	844,414	759,370
61,895	--	--	--	94,715	98,094
43,309	6,991	--	--	948,133	480,675
32,960	--	--	--	86,592	164,720
--	522	--	--	33,139	40,259
--	--	--	--	16,639	10,273
2,687,136	--	--	--	2,687,136	2,390,923
215	--	--	--	215	980
75	--	--	--	75	--
261,887	--	--	--	425,990	530,255
11,201,186	--	7,495,362	--	18,696,548	18,713,280
2,172,085	--	--	--	2,172,085	1,171,526
--	--	--	65,888	65,888	60,375
--	--	--	1,096,376	1,096,376	1,111,872
<u>\$ 18,052,256</u>	<u>\$ 1,715,956</u>	<u>\$ 7,495,362</u>	<u>\$ 1,162,264</u>	<u>\$ 32,819,918</u>	<u>\$ 30,273,183</u>

Sumpter Township
Combined Balance Sheet - All Fund Types and Account Groups
March 31, 2004
With Comparative Totals for March 31, 2003
(Page 2 of 2)

	Governmental Fund Types			
	General	Special Revenue	General Debt Service	Capital Projects Fund
LIABILITIES				
Accounts Payable	\$ 157,781	\$ 57,565	\$ --	\$ --
Retainage Payable	--	--	--	--
Payable from Restricted Assets:	--	--	--	--
Accounts Payable	--	--	--	--
Retainage Payable	--	--	--	--
Due to Other Funds	--	--	--	--
Maturing Contracts and Bonds Payable	--	--	--	--
Accrued Interest Payable on Contracts and Bonds	--	--	--	--
Deferred Revenue	--	--	--	--
Due to Other Funds	--	--	--	--
Due to Other Governmental Units	6,844	353,729	--	--
Maturing Revenue and Special Assessment Bonds Payable	--	--	--	--
Accrued Interest Payable	--	--	--	--
Customer Deposits	--	--	--	--
Salaries Payable	--	--	--	--
Payroll Taxes Payable	84,061	5,497	--	--
Pension Payable	7,989	--	--	--
Deferred Revenue	8,065	--	--	--
Contracts and Revenue Bonds Payable	57,858	156,089	196,922	--
General Obligation Bonds	--	--	--	--
Special Assessment Debt with Government Commitment	--	--	--	--
Notes Payable	--	--	--	--
Total Liabilities	322,598	572,880	196,922	--
FUND EQUITY AND OTHER CREDITS				
Contribution in Aid of Construction	--	--	--	--
Investment in General Fixed Assets	--	--	--	--
Retained Earnings:	--	--	--	--
Reserved for Contract and Bond Retirement	--	--	--	--
Reserved for Sewer Construction	--	--	--	--
Reserved for Equipment Purchase	--	--	--	--
Unreserved	--	--	--	--
Fund Balance:	--	--	--	--
Reserved for Pension	--	--	--	--
Reserved for Fire Operations	--	--	--	--
Reserved for Fire Hall Debt Retirement	--	415,756	--	--
Reserved for Police Operations	--	63,828	--	--
Reserved for Library Operations	--	570,075	--	--
Reserved for Debt Service	--	150,938	--	--
Reserved for Road Construction	--	--	65,888	--
Unreserved:	--	--	--	58,627
Unreserved, Undesignated	622,248	1,354,320	--	--
Total Fund Equity and Other Credits	622,248	2,554,917	65,888	58,627
Total Liabilities, Fund Equity, and Other Credits	\$ 944,846	\$ 3,127,797	\$ 262,810	\$ 58,627

The accompanying notes are an integral part of this statement.

Proprietary Fund Type	Fiduciary Fund Type	Account Groups		Totals (Memorandum Only)	
		General	General	March 31, 2004	March 31, 2003
		Fixed Assets	Long-Term Debt		
<u>Enterprise</u>	<u>Trust & Agency</u>				
\$ 73,835	\$ 81,987	\$ --	\$ --	\$ 371,168	\$ 227,404
10,275	--	--	--	10,275	6,772
207,681	--	--	--	207,681	112,166
79,560	--	--	--	79,560	--
147	--	--	--	147	962
95,000	--	--	--	95,000	400,000
14,891	--	--	--	14,891	69,450
215	--	--	--	215	980
305,959	281,529	--	--	948,061	479,713
--	553,431	--	--	553,431	635,952
77,826	--	--	--	77,826	72,826
10,528	--	--	--	10,528	11,126
51,790	--	--	--	51,790	51,862
15,632	8,451	--	--	113,641	76,595
--	--	--	--	7,989	5,314
--	2,618	--	--	10,683	6,414
26,161	--	--	--	437,030	432,863
3,474,005	--	--	--	3,474,005	3,830,000
--	--	--	795,000	795,000	870,000
172,101	--	--	260,073	432,174	512,174
--	--	--	107,191	107,191	--
4,615,606	928,016	--	1,162,264	7,798,286	7,802,573
2,375,766	--	--	--	2,375,766	2,434,825
--	--	7,495,362	--	7,495,362	7,222,338
886,207	--	--	--	886,207	997,411
1,403,725	--	--	--	1,403,725	810,934
8,770,952	--	--	--	8,770,952	7,326,701
--	787,940	--	--	787,940	581,901
--	--	--	--	415,756	244,684
--	--	--	--	63,828	63,399
--	--	--	--	570,075	428,839
--	--	--	--	150,938	118,558
--	--	--	--	65,888	60,375
--	--	--	--	58,627	59,182
13,436,650	787,940	7,495,362	--	1,976,568	2,121,463
\$ 18,052,256	\$ 1,715,956	\$ 7,495,362	\$ 1,162,264	25,021,632	22,470,610
				\$ 32,819,918	\$ 30,273,183

Sumpter Township
Combined Statement of Revenues, Expenditures and Changes in Fund Balance
All Governmental Fund Types
For the Year Ended March 31, 2004
With Comparative Totals for the Year Ended March 31, 2003

	Governmental Fund Types			
	General	Special Revenue	General Debt Service	Capital Projects Fund
Revenues:				
Taxes	\$ 293,433	\$ 857,292	\$ --	\$ --
Licenses and Permits	184,822	--	--	--
Intergovernmental	1,021,844	93,879	--	--
Special Assessments	--	41,247	62,688	--
Charges for Services	111,153	--	--	--
Fines and Forfeits	26,368	--	--	--
Interest, Rents, and Royalties	45,275	3,239,834	--	--
Miscellaneous	320,955	155,990	291	(555)
Total Revenues	<u>2,003,850</u>	<u>4,388,242</u>	<u>62,979</u>	<u>(555)</u>
Expenditures:				
General Government	1,063,359	55,872	--	--
Public Safety	2,138,922	184,789	--	--
Public Works	42,933	--	--	--
Sanitation	135,568	--	--	--
Environmental Protection	1,300	--	--	--
Health and Welfare	169,953	--	--	--
Recreation and Cultural	20,051	130,135	--	--
Urban Redevelopment and Housing	--	34,839	--	--
Other	57,824	119,134	--	--
Debt Service:				
Principal	--	--	117,174	--
Interest and Paying Agent Fees	--	--	59,722	--
Total Expenditures	<u>3,629,910</u>	<u>524,769</u>	<u>176,896</u>	<u>--</u>
Excess of Revenues Over/(Under) Expenditures	<u>(1,626,060)</u>	<u>3,863,473</u>	<u>(113,917)</u>	<u>(555)</u>
Other Financing Sources/(Uses):				
Capital Lease Proceeds	164,635	--	--	--
Operating Transfers In	1,595,920	227,530	119,430	--
Operating Transfers Out	(108,100)	(3,917,176)	--	--
Total Other Financing Sources/(Uses)	<u>1,652,455</u>	<u>(3,689,646)</u>	<u>119,430</u>	<u>--</u>
Excess of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Uses	<u>26,395</u>	<u>173,827</u>	<u>5,513</u>	<u>(555)</u>
Fund Balance at Beginning of Year	<u>595,853</u>	<u>2,381,090</u>	<u>60,375</u>	<u>59,182</u>
Fund Balance at End of Year	<u>\$ 622,248</u>	<u>\$ 2,554,917</u>	<u>\$ 65,888</u>	<u>\$ 58,627</u>

The accompanying notes are an integral part of this statement.

Totals
(Memorandum Only)

March 31, 2004	March 31, 2003
\$ 1,150,725	\$ (1,045,187)
184,822	(198,829)
1,115,723	(1,413,987)
103,935	(73,863)
111,153	(110,997)
26,368	(43,924)
3,284,845	(2,657,911)
476,945	(517,909)
<u>6,454,516</u>	<u>(6,062,607)</u>
1,119,231	1,386,896
2,323,711	2,117,775
42,933	85,214
135,568	146,041
1,300	2,028
169,953	131,943
150,186	152,127
34,839	77,766
176,958	161,295
117,174	112,174
<u>59,722</u>	<u>65,455</u>
<u>4,331,575</u>	<u>4,438,716</u>
<u>2,122,941</u>	<u>(1,623,891)</u>
164,635	--
1,942,880	(1,696,507)
<u>(4,025,276)</u>	<u>2,117,957</u>
<u>(1,917,761)</u>	<u>421,450</u>
205,180	(1,202,441)
<u>3,096,500</u>	<u>(1,894,059)</u>
<u>\$ 3,301,680</u>	<u>\$ (3,096,500)</u>

Sumpter Township
Combined Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General and Special Revenue Fund Types
For the Year Ended March 31, 2004

	General Fund		
	Amended Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Taxes	\$ 262,580	\$ 293,433	\$ 30,853
Licenses and Permits	180,021	184,822	4,801
Intergovernmental	1,031,484	1,021,844	(9,640)
Special Assessments	--	--	--
Charges for Services	102,544	111,153	8,609
Fines and Forfeits	20,100	26,368	6,268
Interest, Rents, and Royalties	39,025	45,275	6,250
Miscellaneous	306,050	320,955	14,905
Total Revenues	<u>1,941,804</u>	<u>2,003,850</u>	<u>62,046</u>
Expenditures:			
General Government	1,243,319	1,063,359	179,960
Public Safety	2,011,741	2,138,922	(127,181)
Public Works	36,255	42,933	(6,678)
Sanitation	138,500	135,568	2,932
Environmental Protection	2,350	1,300	1,050
Health and Welfare	180,900	169,953	10,947
Recreation and Cultural	23,150	20,051	3,099
Urban Redevelopment and Housing	--	--	--
Other	56,000	57,824	(1,824)
Total Expenditures	<u>3,692,215</u>	<u>3,629,910</u>	<u>62,305</u>
Excess of Revenues Over/(Under) Expenditures	<u>(1,750,411)</u>	<u>(1,626,060)</u>	<u>124,351</u>
Other Financing Sources/(Uses):			
Capital Lease Proceeds	--	164,635	164,635
Operating Transfers In	1,868,694	1,595,920	(272,774)
Operating Transfers Out	(108,100)	(108,100)	--
Total Other Financing Sources/(Uses)	<u>1,760,594</u>	<u>1,652,455</u>	<u>(108,139)</u>
Excess of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Uses	10,183	26,395	16,212
Fund Balance at Beginning of Year	595,853	595,853	--
Fund Balance at End of Year	<u>\$ 606,036</u>	<u>\$ 622,248</u>	<u>\$ 16,212</u>

The accompanying notes are an integral part of this statement.

Special Revenue Funds

Amended Budget	Actual	Variance Favorable (Unfavorable)
\$ 772,107	\$ 857,292	\$ 85,185
--	--	--
123,710	93,879	(29,831)
41,094	41,247	153
--	--	--
--	--	--
3,223,601	3,239,834	16,233
301,906	155,990	(145,916)
<u>4,462,418</u>	<u>4,388,242</u>	<u>(74,176)</u>
100,137	55,872	44,265
231,590	184,789	46,801
--	--	--
--	--	--
--	--	--
--	--	--
121,000	130,135	(9,135)
150,093	34,839	115,254
128,985	119,134	9,851
<u>731,805</u>	<u>524,769</u>	<u>207,036</u>
<u>3,730,613</u>	<u>3,863,473</u>	<u>132,860</u>
227,530	227,530	--
(2,706,918)	(3,917,176)	(1,210,258)
<u>(2,479,388)</u>	<u>(3,689,646)</u>	<u>(1,210,258)</u>
1,251,225	173,827	(1,077,398)
2,381,090	2,381,090	--
<u>\$ 3,632,315</u>	<u>\$ 2,554,917</u>	<u>\$ (1,077,398)</u>

Sumpter Township
Combined Statement of Revenues, Expenses and Changes in Retained Earnings
Proprietary Fund Type and Similar Trust Funds
For the Year Ended March 31, 2004
With Comparative Totals for the Year Ended March 31, 2003

	Proprietary Fund Type Enterprise Fund Water Supply and Sewage Disposal System	Fiduciary Fund Employee Pension Fund
Operating Revenues:		
Charges for Sales and Services	\$ 1,558,533	\$ --
Interest	--	--
Contributions	--	112,874
Total Operating Revenues	<u>1,558,533</u>	<u>112,874</u>
Operating Expenses:		
Water Purchased	487,319	--
Salaries and Wages	264,948	--
Fringe Benefits	77,365	--
Supplies	11,915	--
Contracted Services	244,928	--
Communications	4,824	--
Transportation	8,753	--
Insurance and Judgments	7,307	--
Utilities	8,425	--
Repairs and Maintenance	11,996	--
YCUA Rent	114,791	--
Other	1,796	14,200
Depreciation	393,275	--
Total Operating Expenses	<u>1,637,642</u>	<u>14,200</u>
Operating Income/(Loss)	<u>(79,109)</u>	<u>98,674</u>
Non-Operating Revenues/(Expenses):		
Interest Earned on Deposits	36,414	--
Gain/(Loss) on Investments	--	113,471
Taxes	1,729	--
Interest Expense	(173,061)	--
Paying Agent Fees and Other	(1,591)	--
Refunds of Contributions	--	(6,106)
Total Non-Operating Revenues/(Expenses)	<u>(136,509)</u>	<u>107,365</u>
Net Income/(Loss) Before Operating Transfers	<u>(215,618)</u>	<u>206,039</u>
Operating Transfer In	<u>2,082,396</u>	<u>--</u>
Net Income	<u>1,866,778</u>	<u>206,039</u>
Add Depreciation on Fixed Assets Acquired by Federal Grants	<u>59,060</u>	<u>--</u>
Increase in Retained Earnings	1,925,838	206,039
Retained Earnings/Fund Balance at Beginning of Year	<u>9,135,046</u>	<u>581,901</u>
Retained Earnings/Fund Balance at End of Year	<u>\$ 11,060,884</u>	<u>\$ 787,940</u>

The accompanying notes are an integral part of this statement.

Totals
(Memorandum Only)

March 31, 2004	March 31, 2003
\$ 1,558,533	\$ 1,599,210
--	--
112,874	100,039
<u>1,671,407</u>	<u>1,699,249</u>
487,319	512,113
264,948	228,924
77,365	65,871
11,915	14,332
244,928	218,665
4,824	5,002
8,753	6,618
7,307	3,896
8,425	10,230
11,996	50,438
114,791	105,591
15,996	35,527
393,275	391,547
<u>1,651,842</u>	<u>1,648,754</u>
<u>19,565</u>	<u>50,495</u>
36,414	60,847
113,471	(88,801)
1,729	1,382
(173,061)	(240,893)
(1,591)	(1,611)
(6,106)	(7,420)
<u>(29,144)</u>	<u>(276,496)</u>
<u>(9,579)</u>	<u>(226,001)</u>
<u>2,082,396</u>	<u>421,450</u>
2,072,817	195,449
<u>59,060</u>	<u>59,060</u>
2,131,877	254,509
<u>9,716,947</u>	<u>9,462,438</u>
<u>\$ 11,848,824</u>	<u>\$ 9,716,947</u>

Sumpter Township
Comparative Statement of Cash Flows
Enterprise Fund
Water Supply and Sewage Disposal System Fund
For the Years Ended March 31, 2004 and 2003

	Totals Year Ended	
	March 31, 2004	March 31, 2003
<u>Increase/(Decrease) in Cash and Cash Equivalents</u>		
Cash Flows from Operating Activities:		
Cash Received from Customers	\$ 1,568,223	\$ 1,734,985
Cash Payments to Suppliers for Goods and Services	(586,835)	(929,193)
Cash Payments to Employees for Services	(335,253)	(295,615)
Net Cash Provided by Operating Activities	<u>646,135</u>	<u>510,177</u>
Cash Flows from Noncapital Financing Activities:		
Operating Transfer In	<u>2,082,396</u>	<u>421,450</u>
Cash Flows from Capital and Related Financing Activities:		
Cash Collected from Tax Levy for Debt Payments	1,655	2,605
Acquisition and Construction of Capital Assets	(1,104,080)	(654,450)
Principal Paid on Bonds and Contracts	(704,511)	(467,826)
Interest Paid on Bonds and Contracts	(228,218)	(252,352)
Fees Paid on Debt Payment	(1,591)	(1,611)
Net Cash (Used for) Capital and Related Financing Activities	<u>(2,036,745)</u>	<u>(1,373,634)</u>
Cash Flows from Investing Activities:		
Interest on Investments	<u>36,414</u>	<u>60,847</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	728,200	(381,160)
Cash and Cash Equivalents at Beginning of Year	3,223,565	3,605,572
Cash and Cash Equivalents at End of Year	<u>\$ 3,951,765</u>	<u>\$ 3,224,412</u>
<u>Reconciliation of Operating Income to Net Cash Provided by Operating Activities</u>		
Operating Loss	\$ (79,109)	\$ (19,758)
Adjustments to Reconcile Operating Loss to Net Cash Provided by Operating Activities:		
Depreciation	393,275	391,547
Changes in Assets and Liabilities:		
(Increase)/Decrease in Accounts Receivable	(61,256)	39,187
Decrease in Special Assessments Receivable	68,907	110,568
(Increase)/Decrease in Due from Other Funds	(35,571)	31,887
Decrease/(Increase) in Inventory	7,246	(4,808)
Increase in Accounts Payable	75,983	113,441
Increase in Retainage Payable	83,063	1,309
Increase (Decrease) in Due to Other Funds	186,610	(128,744)
Increase/(Decrease) in Salaries Payable	7,060	(820)
(Decrease) in Customer Deposits	(72)	(23,632)
(Decrease) in Deferred Revenue	(1)	--
Total Adjustments	<u>725,244</u>	<u>529,935</u>
Net Cash Provided by Operating Activities	<u>\$ 646,135</u>	<u>\$ 510,177</u>

The accompanying notes are an integral part of this statement.

Sumpter Township
Notes to Financial Statements
March 31, 2004
Page 1 of 17

1. Summary of Significant Accounting Policies

The financial statements of Sumpter Township have been prepared with generally accepted accounting principles (GAAP) as applied to government units. The more significant of the government's policies are described below. The Township's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements. Proprietary funds and similar component units apply Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements, in which case GASB prevails.

A. The Reporting Entity

Sumpter Township is a general law Township governed by an elected seven member board.

In accordance with the provisions of the Governmental Accounting Standards Board's Statement No. 14, "The Financial Reporting Entity", the financial statements of Sumpter Township contain all the Township funds and account groups of the primary government and authorities for which the Township is financially accountable and the nature and significance of their relationship with the Township are such that exclusions would cause the Township's financial statements to be misleading or incomplete. Financial accountability exists if the Township appoints a voting majority of an organization's governing board, is either able to impose its will on another organization or there is a potential for the organization to provide specific financial benefits to, or impose specific burdens on the Township, or if an organization is fiscally dependent on the Township.

Based on the foregoing criteria, no other organizations exist that are included in or excluded from the Township's annual report.

B. Fund Accounting

The Township uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds are classified into three "fund types": governmental, proprietary and fiduciary.

Governmental Funds

General Fund - general fund is the general operating fund of the Township. It is used to account for all financial resources except those required to be accounted for in another fund. General and administrative costs applicable to all functions of the Township which are not readily identifiable are recorded in the general fund. A portion of such costs are allocated to the water supply and sewage disposal system fund and recorded as revenue in the general fund.

1. Summary of Significant Accounting Policies - (Continued)

B. Fund Accounting - (Continued)

Special Revenue Funds - special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

General Debt Service Funds - general debt service funds are used to account for the servicing of general long-term debt of other governmental fund types.

Capital Projects Fund - capital projects funds are used to account for major capital acquisition and construction activities of other governmental fund types.

Proprietary Funds

Enterprise Funds - enterprise funds are used for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Fiduciary Funds

Fiduciary funds are used to account for assets held by the Township in a trustee capacity or as an agent for individuals, private organizations, or other governmental units and/or other funds. These include the trust fund and agency funds. The trust fund is accounted for in essentially the same manner as proprietary funds since capital maintenance is critical. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

C. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

All proprietary funds and pension trust funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total assets) of the proprietary funds is segregated into contributed capital and retained earnings components. Proprietary fund-type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

1. Summary of Significant Accounting Policies - (Continued)

C. Basis of Accounting - (Continued)

The modified accrual basis of accounting is used by all governmental fund types and agency funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due.

Those revenues susceptible to accrual are property taxes, intergovernmental revenue, special assessments, interest and rents, and charges for services. Licenses and permits, and fines and forfeits are not susceptible to accrual because generally they are not measurable until received in cash.

The accrual basis of accounting is utilized by proprietary fund types and pension trust funds. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

The government reports deferred revenue on its combined balance sheet. Deferred revenues arise when a potential revenue does not meet the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when resources are received by the government before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods when both revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized.

D. Budget

Budgets for the general fund and the special revenue funds were adopted on a basis consistent with generally accepted accounting principles. Annual appropriations lapse at fiscal year end.

Budgeted amounts are as originally adopted or amended by the Township Board.

E. Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the government to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds and repurchase agreements.

Sumpter Township
Notes to Financial Statements
March 31, 2004
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1. Summary of Significant Accounting Policies - (Continued)

E. Cash and Cash Equivalents - (Continued)

For purposes of the statement of cash flows, the proprietary fund considers all highly liquid investments (including restricted assets) that can be readily converted to cash to be cash equivalents. Investments are reported at fair value which is determined using selected bases. Managed funds are reported at estimated fair value as determined by the respective fund managers based on quoted sales prices of the underlying securities. Cash deposits are reported at carrying amount which reasonably estimates fair value. Additional cash and investment information, and fair values are presented in Note 3.

F. Short-Term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. The receivables and payables are classified as "Due from Other Funds" or "Due to Other Funds" on the Balance Sheet.

G. Inventory

Proprietary fund inventories are recorded at the lower of cost or market on a first-in, first-out basis.

H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond March 31, 2004, are recorded as prepaid items.

I. Restricted Assets

Certain resources set aside for the repayment of enterprise fund bonds and contracts are classified as restricted assets on the balance sheet because their use is limited by applicable covenants. The contract payment account is used for the payment of the contracts with Wayne County and with the Canton, Van Buren and Sumpter Water and Sewage Disposal Authority.

The Water Revenue Bond and Sewer Revenue Bond - Bond and Interest Redemption Accounts are used to record resources set aside as required by the Water and Sewer Revenue Bond ordinances.

J. Fixed Assets

Governmental fund general fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds, and the related assets are reported in the General Fixed Assets Account Group. All purchased fixed assets are valued at cost where historical records are available and at an estimated historical cost where no historical record exist. Donated fixed assets are valued at their estimated fair market value on the date received.

Sumpter Township
Notes to Financial Statements
March 31, 2004
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1. Summary of Significant Accounting Policies - (Continued)

J. Fixed Assets - (Continued)

Public domain ("infrastructure") general fixed assets (e.g., roads, bridges, sidewalks and other assets that are immovable) are capitalized along with other general fixed assets.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized.

Assets in the general fixed assets account group are not depreciated. Depreciation of assets in the proprietary fund is computed using the straight-line method.

Buildings	25 years
Water Mains and Sewer Lines	50 years
Meters	50 years
Connections	50 years
Equipment	5 to 10 years

K. Compensated Absences

Current employee contracts mandate payment of all unused sick time and vacation time at March 31, 2004; therefore, no accrued compensated absences are reported.

L. Property Taxes

Property taxes are levied each July 1 (100% State Education Tax) and December 1 (township, county, and all other school taxes), and payable on or before September 15 and February 28 respectively, without penalty. These taxes become liens against the property on the date levied. After February 28, all taxes are declared delinquent, with the Township continuing to collect personal property taxes. Real property taxes are turned over to the County Treasurer who assumes responsibility for their collection and immediately, upon settlement, reimburses the Township from the County revolving tax fund. The Township collects its own property tax and also taxes for other entities including the County and school districts which are within the Township. Collections and remittances of the taxes to those entities are accounted for in the current and delinquent tax collection funds.

Sumpter Township tax levy for the 2003 tax roll was:

General Fund	0.83300 mills
Public Safety	1.87850 mills
Fire Operations	0.93690 mills
Library Operations	0.65560 mills
Total	<u>4.30400 mills</u>

The Township tax revenues are recognized when levied to the extent that they result in current receivables.

Sumpter Township
Notes to Financial Statements
March 31, 2004
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1. Summary of Significant Accounting Policies - (Continued)

M. Long-Term Obligations

Long-term debt is recognized as a liability of a governmental fund for only that portion expected to be financed from expendable available financial resources. The remaining portion of such obligations is reported in the general long-term debt account group. Long-term liabilities expected to be financed from the proprietary fund operations are accounted for in the proprietary fund.

N. Encumbrances

The Township does not record encumbrances outstanding at the end of the fiscal period as either expenditures or as a reservation of fund balance. Significant long-term contract commitments or board approved reservations of fund balance are recorded as reserves for subsequent years' expenditures, a fund balance appropriation similar to but distinct from a reserve for encumbrances.

O. Fund Equity

Contributed Capital is recorded in the proprietary fund for contributions from the Federal Government, Farmers Home Administration and from customers. Fund Equity Reserves represent those portions of fund equity not appropriable for expenditures or legally segregated for a specific future use.

P. Comparative Data

Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the government's financial position and operations. However, comparative data have not been presented in all statements because their inclusion would make certain statements unduly complex and difficult to understand.

Q. Memorandum Only - Total Columns

Total columns on the general purpose financial statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or changes in financial position in conformity with generally accepted accounting principles. Neither are such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

R. New Reporting Standard

In June 1999, the Governmental Accounting Standards Board (GASB) issued Statement 34 "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments." This Statement establishes new financial reporting requirements for state and local governments throughout the United States. When implemented, it will require new information and restructure much of the information that governments have presented in the past. Comparability with reports issued in all prior years will be affected. The Township is required to implement this standard for the fiscal year ending March 31, 2005. The Township has not yet determined the full impact that adoption of GASB Statement 34 will have on the financial statements.

Sumpter Township
Notes to Financial Statements
March 31, 2004
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2. Legal Compliance - Budgets

The Township is legally subject to the budgetary control requirements of the State of Michigan P.A. 621 of 1978 (the Uniform Budgeting Act) as amended. The following is a summary of the requirements of this Act according to the State Treasurer's "Bulletin for Audits of Local Units of Government in Michigan" dated April 1982:

- a. Budgets must be adopted for the General Fund and Special Revenue Funds.
- b. The budgets must be balanced.
- c. The budgets must be amended when necessary.
- d. Public hearings must be held before budget adoptions.
- e. Expenditures cannot exceed budget appropriations.
- f. Expenditures must be authorized by a budget before being incurred.

The Township adopts its budget by functional activity which is in accordance with the State's legal requirements and is the level of classification detail at which expenditures may not legally exceed appropriations. Expenditures are not classified by character, e.g. current, capital outlay and debt service.

The Finance Director submits an annual budget to the Township Board in accordance with the Uniform Budgeting Act. In March, each year, the Township Board approves the operating budget for the fiscal year commencing the following April 1. The budget includes proposed expenditures and the means of financing them, for the General Fund and Special Revenue Funds. Budgets are adopted on a basis consistent with generally accepted accounting principles. Once approved, the Township Board may amend the legally adopted budget when unexpected modifications are required. The March 31, 2004, fiscal year budget was amended at the March 30, 2004, Board meeting.

Legally authorized, non-appropriated budgets are prepared for the Community Development Block Grant Fund. Expenditures for this fund are controlled on a project basis and are carried forward each year until the project is completed or the grant award has been expended.

For the year ended March 31, 2004, expenditures exceeded budget appropriations in the following functional activities.

Functional Activity	Budget	Actual	Expenditures and Transactions in Excess of Appropriations
General Fund:			
Independent Accounting and Audit	\$ 50,580	\$ 59,305	\$ 8,725
Inspection Department	\$ 186,500	\$ 199,229	\$ 12,729
Drains	\$ --	\$ 10,191	\$ 10,191
Dust Control	\$ 3,055	\$ 3,056	\$ 1
Street Lighting	\$ 16,400	\$ 17,551	\$ 1,151
Other Functions	\$ 56,000	\$ 57,824	\$ 1,824
Special Revenue Funds:			
Royalties Fund:			
Other Financing Uses:			
Operating Transfers to Water Supply and Sewage Disposal System Fund	\$ 599,614	\$ 2,082,396	\$ 1,482,782
911 Emergency Service Fund:			
Other Financing Uses:			
Operating Transfers to General Fund	\$ 41,194	\$ 41,354	\$ 160
Library System Fund:			
Total Expenditures	\$ 121,000	\$ 130,135	\$ 9,135

Sumpter Township
Notes to Financial Statements
March 31, 2004
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3. Deposits and Investments

For additional descriptive information, see Note 1E.

At March 31, 2004, the Township of Sumpter's carrying amount of deposits was \$4,800,687 and the bank balance was \$7,176,352. Of the bank balance, \$100,000 was covered by federal depository insurance and \$7,076,352 was uninsured and uncollateralized.

Investments are categorized into these three categories of credit risk:

- 1) Insured and registered, or securities held by the government or its agent in the government's name.
- 2) Uninsured and unregistered, with securities held by the counter-party's trust department or agent in the government's name.
- 3) Uninsured and unregistered, with securities held by the counter-party, or by its trust department or agent but not in the government's name.

At March 31, 2004, the Township's investment balances were as follows:

	Fair Value
Investment not Subject to Categorization	
Mutual Funds	\$ 3,388,862

A reconciliation of cash and investments as shown on the Combined Balance Sheet follows:

Cash on Hand	\$ 402
Carrying Amount of Deposits	4,800,687
Carrying Amount of Investments	3,388,862
Total	<u>\$ 8,189,951</u>
 Cash and Cash Equivalents	 \$ 5,502,815
Cash and Cash Equivalents - Restricted	2,687,136
Total	<u>\$ 8,189,951</u>

There are higher cash flows at certain times during the year due to the collection of property taxes. As a result, the amounts that were in Mutual Funds at those times were substantially higher than at year end.

Sumpter Township
Notes to Financial Statements
March 31, 2004
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4. Changes in General Fixed Assets

A summary of changes in general fixed assets follows:

<u>Assets</u>	Balance April 1, <u>2003</u>	<u>Additions</u>	<u>Deductions</u>	Balance March 31, <u>2004</u>
Land and Land Improvements	\$ 448,457	\$ 32,300	\$ --	\$ 480,757
Buildings	3,358,091	55,141	--	3,413,232
Equipment	1,304,833	99,255	--	1,404,088
Machinery	155,943	--	--	155,943
Vehicles	1,541,504	80,356	20,279	1,601,581
Investment in Joint Venture	63,532	26,251	--	89,783
Highways and Streets	349,978	--	--	349,978
Totals	<u>\$ 7,222,338</u>	<u>\$ 293,303</u>	<u>\$ 20,279</u>	<u>\$ 7,495,362</u>

A summary of proprietary fund type property, plant and equipment at March 31, 2004, follows:

Land	\$ 73,368
Buildings	139,322
Land Improvements and Additions	18,226,225
Machinery and Equipment	316,103
Total	<u>18,755,018</u>
Less: Accumulated Depreciation	<u>(7,553,832)</u>
Fixed Assets Net of Depreciation	11,201,186
Construction in Progress	2,172,085
Total	<u>\$ 13,373,271</u>

5. Capital Leases

The Township has entered into a lease agreement as lessee for financing the acquisition of four police vehicles plus equipment with an initial lease payment of \$57,444. The lease agreement qualifies as a capital lease for accounting purposes and therefore, has been recorded at the present value of the future minimum lease payments as of the inception date.

The assets acquired are as follows:

Four Police Vehicles Plus Equipment	<u>\$ 164,635</u>
-------------------------------------	-------------------

The future minimum lease obligations and the net present value of these minimum lease payments as of March 31, 2004, are as follows:

<u>Year Ending March 31,</u>	
2004	\$ 57,444
2005	57,444
Total Minimum Lease Payments	<u>114,888</u>
Less Amount Representing Interest	<u>(7,697)</u>
Present Value of Minimum Lease Payments	<u>\$ 107,191</u>

Sumpter Township
Notes to Financial Statements
March 31, 2004
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6. Long-Term Debt

General Obligation Bonds

The Township issued general obligation bonds to provide for the construction of the fire hall, as approved by voters. General obligation bonds are direct obligations and pledge the full faith and credit of the government. These bonds are issued as 15 year serial bonds.

Special Assessment Debt with Governmental Commitment

Special assessment bonds and related interest costs are payable solely from assessments and interest collected from the property owners who benefit from respective improvements. The Township has a liability for payment of the bonds should the assessments be insufficient to cover bond principal and interest.

Contracts and Revenue Bonds

The Township has entered into contracts with Wayne County and with the Canton, Van Buren and Sumpter Water and Sewage Disposal Authority for water main construction. Also, revenue bonds have been issued for water main and sewer line construction. These contracts and bonds are reported in the enterprise fund.

The following is a summary of long-term debt of the Township at March 31, 2004:

<u>General Long Term Debt Account Group</u>	<u>Rate</u>	<u>Through</u>	<u>Outstanding</u>
General Obligation Bonds:			
Wayne County Public Safety Facility Bonds			
1996 Series	5.00 - 5.55%	2011	\$ 795,000
Special Assessment Debt with Government			
Commitment:			
Wayne County Special Assessment Bonds			
2000 Series	5.00 - 5.20%	2010	260,073
			<u>\$ 1,055,073</u>
<u>Enterprise Fund</u>			
Contracts and Revenue Bonds:			
Wayne County Contracts:			
1966 Series I	4.50%	2005	\$ 60,000
Canton, Van Buren and Sumpter Water			
and Sewage Disposal Authority Contracts			
1978 Series	5.00%	2018	530,000
Total Contracts			<u>590,000</u>
Water Revenue Bonds			
1978 Series I	5.00%	2017	565,000
1978 Series II	5.00%	2018	205,000
2004 Series	2.00-3.625%	2016	2,405,000
Total Revenue Bonds			<u>3,175,000</u>
Special Assessment Debt with Government			
Commitment:			
Wayne County Special Assessment Bonds			
1999 Series	5.25%	2019	100,000
2000 Series	5.00 - 5.20%	2010	109,927
Total Special Assessment Bonds			<u>209,927</u>
Total Enterprise Fund			<u>\$ 3,974,927</u>

Sumpter Township
Notes to Financial Statements
March 31, 2004
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6. Long-Term Debt - (Continued)

Debt service requirements to maturity for the general long-term debt account group, including interest of \$231,884, are as follows:

Fiscal Year Ending <u>March 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2005	\$ 122,174	\$ 53,188	\$ 175,362
2006	127,174	46,954	174,128
2007	132,174	40,425	172,599
2008	137,174	33,552	170,726
2009	145,688	26,281	171,969
2010-2012	390,689	31,484	422,173
	<u>\$ 1,055,073</u>	<u>\$ 231,884</u>	<u>\$ 1,286,957</u>

Debt service requirements to maturity for the enterprise fund, including interest of \$1,030,384, are as follows:

Fiscal Year Ending <u>March 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2005	\$ 172,826	\$ 125,362	\$ 298,188
2006	327,826	136,781	464,607
2007	332,826	126,790	459,616
2008	342,826	116,698	459,524
2009	354,312	106,239	460,551
2010-2014	1,744,311	354,226	2,098,537
2015-2018	700,000	64,288	764,288
	<u>3,974,927</u>	<u>\$ 1,030,384</u>	<u>\$ 5,005,311</u>
Less Deferred Amount on Refunding	(155,995)		
	<u>\$ 3,818,932</u>		

Advance Refunding

On February 18, 2004, the Township issued \$2,405,000 Water and Sewerage Disposal System Revenue Refunding Bonds, Series 2004 with interest rates of from 2.0% through 3.625% for the purpose of advance refunding the Water and Sewerage Disposal System Revenue Bonds dated August 26, 1993, Series 1993 with interest rates of from 4.95% to 5.55%. Proceeds from the advance refunding of \$2,394,310 (\$2,405,000 less a discount of \$10,690) along with \$231,685 from the Water and Sewer Fund were deposited with an escrow agent to pay principal and interest on the 1993 refunded bonds. As a result, as of March 31, 2004, the 1993 bond issue is considered defeased and the Township has removed the liability from its accounts. On May 1, 2004, the fiscal agent early called all of this defeased issue. The reacquisition price exceeded the net carrying amount of the old debt by \$155,995. This amount will be netted against the new debt and amortized over the remaining life of the old debt which is shorter than the life of the new debt issue. This advanced refunding was undertaken to reduce total debt service payments over the next 10 years by \$189,525 and resulted in an economic gain of \$187,703.

Sumpter Township
Notes to Financial Statements
March 31, 2004
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6. Long-Term Debt - (Continued)

Changes in Long-Term Liabilities

During the fiscal year ended March 31, 2004, the following change occurred in liabilities reported in the general long-term debt account group:

	Balance April 1, 2003	Additions	Deductions	Balance March 31, 2004	Amount Due Within One Year
General Obligation Bonds	\$ 870,000	\$ --	\$ 75,000	\$ 795,000	\$ 80,000
Special Assessment Debt with Government Commitment	302,247	--	42,174	260,073	42,174
Lease Payable - Police Cars	--	164,635	57,444	107,191	52,352
	<u>\$ 1,172,247</u>	<u>\$ 164,635</u>	<u>\$ 174,618</u>	<u>\$ 1,162,264</u>	<u>\$ 174,526</u>

7. Interfund Assets/Liabilities - Due From/To Other Funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	
General Fund	Fire Fund	\$ 8,192
	911 Emergency Service Fund	55,936
	Community Development Block Grant Fund	280,601
	Enterprise Fund - Water Receiving Account	209,211
	Delinquent Tax and Trailer Tax Fund	32,080
	Current Tax Collection Fund	43,308
		<u>629,328</u>
Fire Fund	Delinquent Tax and Trailer Fund	23,155
	Current Tax Collection Fund	20,743
		<u>43,898</u>
Police Fund	Delinquent Tax and Trailer Fund	46,035
	Current Tax Collection Fund	41,571
		<u>87,606</u>
Library System Fund	Delinquent Tax and Trailer Fund	16,140
	Current Tax Collection Fund	14,507
		<u>30,647</u>
Community Development Block Grant Fund	Enterprise Fund - Water Receiving Account	4,204
General Debt Service Fund	Enterprise Fund - Water Receiving Account	33,917
	Delinquent Tax & Trailer Fund	5,773
	Current Tax Collection Fund	3,833
		<u>43,523</u>
Capital Projects Fund	Enterprise Fund - Water Receiving Account	58,627
Enterprise Fund - Water	Fire Fund	9,000
	Delinquent Tax and Trailer Fund	28,759
	Current Tax Collection Fund	5,625
		<u>43,384</u>
Current Tax Collection Fund	Enterprise Fund - Contract Payment Account	147
Central Dispatch Network Fund	General Fund	6,844
	Total	<u>\$ 948,208</u>

Sumpter Township
Notes to Financial Statements
March 31, 2004
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8. Reserves of Retained Earnings/Fund Balances

	April 1, <u>2003</u>	<u>Increase</u>	<u>Decrease</u>	March 31, <u>2004</u>
Retained Earnings:				
Enterprise Fund Water Supply and Sewage Disposal System:				
Reserve for Contract and Bond Retirement	\$ 997,411	\$ --	\$ 111,204	\$ 886,207
Reserve for Sewer Construction	<u>\$ 810,934</u>	<u>\$ 592,791</u>	<u>\$ --</u>	<u>\$ 1,403,725</u>
Fund Balances:				
Fire Fund - Fire Operations	\$ 244,684	\$ 171,072	\$ --	\$ 415,756
Fire Fund - Fire Hall Debt Retirement	<u>\$ 63,399</u>	<u>\$ 429</u>	<u>\$ --</u>	<u>\$ 63,828</u>
Police Fund - Police Operations	<u>\$ 428,839</u>	<u>\$ 141,236</u>	<u>\$ --</u>	<u>\$ 570,075</u>
Library System Fund - Library Operations	<u>\$ 118,558</u>	<u>\$ 32,380</u>	<u>\$ --</u>	<u>\$ 150,938</u>
General Debt Service Fund - Debt Service	<u>\$ 60,375</u>	<u>\$ 5,513</u>	<u>\$ --</u>	<u>\$ 65,888</u>
Capital Projects Fund - Road Construction	<u>\$ 59,182</u>	<u>\$ --</u>	<u>\$ 555</u>	<u>\$ 58,627</u>
Fiduciary Fund - Employee Pension Fund	<u>\$ 581,901</u>	<u>\$ 206,039</u>	<u>\$ --</u>	<u>\$ 787,940</u>

9. Contract Commitments

The Township has entered into contracts for the construction of Phase II sewers as follows:

<u>Contract</u>	<u>Expended To Date</u>	<u>Remaining Commitment</u>
<u>\$ 2,353,486</u>	<u>\$ 748,282</u>	<u>\$ 1,605,204</u>

10. Segment Information - Enterprise Activities

The requirement of segment information for certain individual enterprise funds is effectively met in this report as the Township maintains only one enterprise fund.

11. Insurance Coverage

The Township is a member of the Michigan Township Participating Plan, an insurance purchasing pool, and purchases the following types of insurance through this pool:

- Property
- General Liability
- Public Officials Errors and Omissions
- Law Enforcement Professional Liability
- Excess Liability Protection
- Comprehensive Dishonesty, Disappearance and Destruction Liability Policy

Sumpter Township
Notes to Financial Statements
March 31, 2004
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11. Insurance Coverage - (Continued)

Workers Compensation Insurance is purchased through the Accident Fund.

Police and Fire employees are covered with accidental death and dismemberment indemnity through the Provident Life.

The employee blanket insurance and public officials bonds policies are held with The Hartford Fire Insurance Company.

An inland marine policy is purchased through St. Paul Insurance.

12. Proprietary Fund - Water Supply and Sewage Disposal System - Accounts Receivable

The following schedule indicates the aged accounts receivable for water and sewer customer accounts at March 31, 2004:

0 - 30 days	\$ 183,048
31 - 60 days	37,872
61 - 90 days	(16)
91 and over	105,975
Total	<u>\$ 326,879</u>

13. Deferred Compensation Plan

The Township offers its employees a deferred compensation plan created in accordance with I.R.C. Section 457. The plan, available to all employees, permits them to defer a portion of their current salary until future years. The deferred compensation is not available to the employees until termination, retirement, death or an unforeseeable emergency.

A second deferred compensation plan was created in accordance with I.R.C. Section 457 to meet the requirements of the Omnibus Budget Reconciliation Act of 1990 (OBRA). This deferred compensation plan is mandatory for all employees not included in the Social Security System. Employees must contribute a minimum of 6% of their wages to the plan and the Township contributes 1.5%.

Investments are managed by the plan's trustee under one of several investment options, or a combination thereof, according to the plan documents. The choice of the investment option(s) is made by the participant.

Under the Small Business Job Protection Act of 1996, plan assets are held in trust for the exclusive benefit of plan participants. Therefore, deferred compensation plan assets are excluded from this report.

Sumpter Township
Notes to Financial Statements
March 31, 2004
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14. Contributed Capital - Proprietary Fund

	Balance April 1, <u>2003</u>	<u>Additions</u>	<u>Deductions</u>	Balance March 31, <u>2004</u>
Federal Government Grants	\$ 493,201	\$ --	\$ --	\$ 493,201
FmHa Grants	1,543,967	--	57,053	1,486,914
Federal Community Development Block Grant	88,515	--	2,006	86,509
Customers	309,142	--	--	309,142
Total	<u>\$ 2,434,825</u>	<u>\$ --</u>	<u>\$ 59,059</u>	<u>\$ 2,375,766</u>

The deductions to the contributed capital - FmHa grants and Federal Community Development Block Grant were current year depreciation recognized on water and sewer system mains constructed through the FmHa grants and the Federal Community Development Block Grant.

15. Contingent Liabilities - Lawsuits

The Township is involved in various litigations primarily arising in the normal course of business. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Township Attorney, the resolution of these matters will not have a materially adverse effect on the financial condition of the Township.

16. Joint Venture

The Township is a member of Central Dispatch Network, a joint venture with the City of Belleville for emergency communication services. The Township appoints two of four members to the joint venture's governing board, which then approves the annual budget. The operating and capital budgets are funded by equal contributions from each government. Sumpter's contribution is reported as an expenditure within the General Fund. Each government's share of assets, liabilities and fund equity is 50%. The agreement for participation states that upon dissolution, the remaining fund equity and fixed assets will be distributed equally between the two communities, therefore an equity interest exists. The Township's share of equity interest in fixed assets is reported in the General Fixed Asset Account Group. The Township's share of fund equity as of March 31, 2004, is \$2,258.

Separate financial statements of the joint venture described above are available at the Township Clerk's office.

17. Employee Pension Plans

A. Defined Contribution Plan

The Township administers a single-employer defined contribution plan, Sumpter Township EE Money Purchase Plan, through ING. Plan provisions and requirements are established and amended by Township Board resolution. Current provisions allow that all employees, excluding elected officials, who have attained twenty and one-half (20 1/2) years of age and have worked at least six months for the Township are eligible. Plan members and the Township are each required to make contributions of 8% of covered payroll.

Sumpter Township
Notes to Financial Statements
March 31, 2004
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17. Employee Pension Plans - (Continued)

A. Defined Contribution Plan - (Continued)

For the fiscal year ended March 31, 2004, the required contributions, reported through the Employee Pension Fund, were made to the plan as follows:

Employer Contributions	\$ 56,437
Employee Contributions	56,437
Total Contributions	<u>\$ 112,874</u>

B. Defined Benefit Plan

Plan Description - The Township participates in a multiple-employer defined benefit plan for the police administered through the Municipal Employees Retirement System (MERS) of Michigan, created for municipal employees by the State of Michigan Act 427 of 1984. The plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefit provisions resides with the Township Board through negotiations with the Police. MERS issues a publicly available financial report as of December 31, each year for each employer participating in the plan. This report may be obtained by writing to Municipal Employees Retirement System of Michigan, 447 N. Canal Road, Lansing, MI 48197 or calling 1-800-767-6377. The December 31, 2003, report was not available as of our audit date.

Funding Policy - Plan members in administrative positions are required to contribute 9.66% of their annual covered salary. All other plan members must contribute 8.31% of their annual covered salary. The Township is required to contribute at an actuarially determined rate; the current rate is 36.44% of the annual covered payroll for administrative members and 7.71% for all others. The contribution requirements of the plan members and the Township are established and amended by the MERS Board of Trustees based on the benefits package provided through Township Board approval of the police contract.

Annual Pension Cost - For fiscal year end March 31, 2004, the Township's annual pension cost of \$82,104 was equal to the Township's required contributions. Actual contributions made amounted to \$77,237. The required contribution was determined as part of the December 31, 2001, actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included (a) 8% investment rate of return (net of expense), (b) projected salary increases at 4.5% per year, (c) 4.5% rate of inflation, and (d) 2.5% cost of living benefit increases.

The actuarial value of assets is determined on the basis of a valuation method that assumes the fund earns the expected rate of return (8%), and includes an adjustment to reflect market value. The plan's unfunded actuarial accrued liability is being amortized as a level percent of payroll contributions calculated to be 5.1679% at December 31, 2002. The remaining amortization period is 32 years.

Sumpter Township
Notes to Financial Statements
March 31, 2004
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17. Employee Pension Plans - (Continued)

B. Defined Benefit Plan

Three-Year Trend Information:

<u>Plan Fiscal Year Ended</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage Contributed</u>	<u>Net Pension Obligation (NPO)</u>
December 31, 2002	\$ 95,076	*Not Available	\$ 1,258,086
December 31, 2001	\$ 82,104	94.07%	\$ 1,107,433
December 31, 2000	\$ 76,285	94.74%	\$ 1,037,712

* This represents required contributions for the fiscal year April 1, 2004, to March 31, 2005.

Sumpter Township
Schedule of Funding Progress
for Defined Employee Benefit Pension Plan
March 31, 2004

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability (AAL) - Entry Age (b)</u>	<u>Unfunded AAL (UAAL) (b-a)</u>	<u>Funded Ratio (a/b)</u>	<u>Covered Payroll (c)</u>	<u>UAAL as a Percentage of Covered Payroll ((b-a)/c)</u>
December 31, 2002	\$ 767,980	\$ 2,026,066	\$ 1,258,086	37.9%	\$ 739,547	170.1%
December 31, 2001	662,382	1,769,815	1,107,433	37.4%	669,060	165.5%
December 31, 2000	546,986	1,584,698	1,037,712	34.5%	566,296	183.2%

GENERAL FUND

Sumpter Township
General Fund
Comparative Balance Sheet
March 31, 2004 and 2003

	March 31, <u>2004</u>	March 31, <u>2003</u>
<u>ASSETS</u>		
Cash and Cash Equivalents	\$ 50,918	\$ 292,993
Taxes Receivable - Delinquent	24,542	22,086
Accounts Receivable	224,734	216,673
Due from Other Funds:		
Fire Fund	8,192	2,971
911 Emergency Service Fund	55,936	14,582
Community Development Block Grant Fund	280,601	222,730
Water Supply and Sewage Disposal System Fund - (Receiving Account)	209,211	6,716
Delinquent Tax and Trailer Fund	32,080	1,659
Current Tax Collection Fund	43,308	29,063
Prepaid Items	<u>15,324</u>	<u>9,781</u>
Total Assets	<u>\$ 944,846</u>	<u>\$ 819,254</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Accounts Payable	\$ 157,781	\$ 100,141
Due to Other Funds:		
Fire Fund	--	2,374
Central Dispatch Network Fund	6,844	--
Salaries Payable	84,061	52,300
Payroll Taxes Payable	7,989	5,314
Pension Payable	8,065	4,208
Deferred Revenue	<u>57,858</u>	<u>59,064</u>
Total Liabilities	<u>322,598</u>	<u>223,401</u>
Fund Balance:		
Unreserved, Undesignated	<u>622,248</u>	<u>595,853</u>
Total Liabilities and Fund Balance	<u>\$ 944,846</u>	<u>\$ 819,254</u>

The accompanying notes are an integral part of this statement.

Sumpter Township
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended March 31, 2004
With Comparative Actual Amounts for the Year Ended March 31, 2003

	Approved Budget	Actual	Variance Favorable (Unfavorable)	March 31, 2003 Actual
Revenues:				
Taxes	\$ 262,580	\$ 293,433	\$ 30,853	\$ 265,127
Business Licenses and Permits	11,656	14,441	2,785	15,606
Non-Business Licenses and Permits	168,365	170,381	2,016	183,223
State Shared Revenue	1,031,484	1,021,844	(9,640)	1,187,229
Charges for Services	102,544	111,153	8,609	110,997
Fines and Forfeits	20,100	26,368	6,268	43,924
Interest and Rents	39,025	45,275	6,250	46,652
Miscellaneous	306,050	320,955	14,905	304,825
Total Revenues	<u>1,941,804</u>	<u>2,003,850</u>	<u>62,046</u>	<u>2,157,583</u>
Expenditures (See Page 38)	<u>3,692,215</u>	<u>3,629,910</u>	<u>62,305</u>	<u>3,378,133</u>
Excess of Revenues Under Expenditures	<u>(1,750,411)</u>	<u>(1,626,060)</u>	<u>124,351</u>	<u>(1,220,550)</u>
Other Financing Sources/(Uses):				
Capital Lease Proceeds	--	164,635	164,635	--
Operating Transfers In	1,868,694	1,595,920	(272,774)	1,352,297
Operating Transfers Out	(108,100)	(108,100)	--	(108,100)
Total Other Financing Sources/(Uses)	<u>1,760,594</u>	<u>1,652,455</u>	<u>(108,139)</u>	<u>1,244,197</u>
Excess of Revenues and Other Financing Sources Over Expenditures	10,183	26,395	16,212	23,647
Fund Balance at Beginning of Year	<u>595,853</u>	<u>595,853</u>	<u>--</u>	<u>572,206</u>
Fund Balance at End of Year	<u>\$ 606,036</u>	<u>\$ 622,248</u>	<u>\$ 16,212</u>	<u>\$ 595,853</u>

The accompanying notes are an integral part of this statement.

Sumpter Township
General Fund
Detailed Statement of Expenditures - Budget and Actual
For the Year Ended March 31, 2004
With Comparative Actual Amounts for the Year Ended March 31, 2003

	Approved <u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)	March 31, 2003 <u>Actual</u>
Township Board	\$ 57,400	\$ 49,278	\$ 8,122	\$ 52,164
Township Supervisor	176,855	175,548	1,307	192,081
Election	44,525	41,245	3,280	61,093
Data Processing Department	24,100	6,279	17,821	9,225
Independent Accounting and Audit	50,580	59,305	(8,725)	49,580
Assessor	25,500	18,679	6,821	23,278
Attorney	70,500	63,158	7,342	70,514
Township Clerk	295,414	287,853	7,561	269,093
Board of Review	6,550	3,355	3,195	3,156
General Office	37,500	34,784	2,716	36,460
Community Promotion (Sumpter Fest)	68,600	57,772	10,828	51,745
Township Treasurer	106,720	90,600	16,120	82,269
Township Hall and Grounds	144,400	122,415	21,985	99,779
Civic Center	110,400	32,467	77,933	190,034
PNA Hall	24,275	20,621	3,654	25,932
Police Department	1,483,596	1,634,188	(150,592)	1,303,061
Radio Communications Department	150,000	142,350	7,650	145,000
Inspection Department	186,500	199,229	(12,729)	175,859
Planning Department	30,605	4,816	25,789	15,493
Ordinance Department	161,040	158,339	2,701	143,331
Department of Public Works	16,800	12,135	4,665	11,673
Drains	--	10,191	(10,191)	--
Dust Control	3,055	3,056	(1)	2,094
Street Lighting	16,400	17,551	(1,151)	15,857
Sanitation - Rubbish Collection	138,500	135,568	2,932	146,041
Environmental Protection	2,350	1,300	1,050	2,028
Other Social Service Activities	180,900	169,953	10,947	131,945
Recreation Department	23,150	20,051	3,099	32,327
Other Functions	56,000	57,824	(1,824)	37,021
Total Expenditures	<u>\$ 3,692,215</u>	<u>\$ 3,629,910</u>	<u>\$ 62,305</u>	<u>\$ 3,378,133</u>

The accompanying notes are an integral part of this statement.

Sumpter Township
General Fund
Detailed Schedule of Revenues - Budget and Actual
For the Year Ended March 31, 2004
With Comparative Actual Amounts for the Year Ended March 31, 2003

	Approved Budget	Actual	Variance Favorable (Unfavorable)	March 31, 2003 Actual
<u>Taxes:</u>				
Current Real Property Tax	\$ 186,764	\$ 206,708	\$ 19,944	\$ 187,338
Unpaid Personal Property Tax	100	517	417	1,057
Interest and Penalties on Delinquent Property Tax	5	80	75	65
Land Sales	5	--	(5)	--
Property Tax Administrative Fee	75,706	86,128	10,422	76,667
Total Taxes	<u>262,580</u>	<u>293,433</u>	<u>30,853</u>	<u>265,127</u>
<u>Business Licenses and Permits:</u>				
Electrical, Heating and Plumbing	3,452	3,623	171	4,724
Mobile Court Fees	6,842	9,041	2,199	9,482
Other Business Licenses and Permits	1,322	1,737	415	1,340
Kennel Licenses	40	40	--	60
Total Business Licenses and Permits	<u>11,656</u>	<u>14,441</u>	<u>2,785</u>	<u>15,606</u>
<u>Non-Business Licenses and Permits:</u>				
Building Permits	115,000	115,316	316	115,504
Electrical Permits	23,200	22,982	(218)	27,537
Heating Permits	16,500	17,638	1,138	22,517
Plumbing Permits	12,207	12,069	(138)	14,681
Fishing Permits	90	479	389	149
Dog Licenses	1,368	1,897	529	2,835
Total Non-Business Licenses and Permits	<u>168,365</u>	<u>170,381</u>	<u>2,016</u>	<u>183,223</u>
<u>State Revenue:</u>				
State Revenue Sharing	983,003	972,764	(10,239)	1,075,600
Liquor Licenses	1,840	1,840	--	1,807
Other	46,641	47,240	599	109,822
Total State Revenue	<u>1,031,484</u>	<u>1,021,844</u>	<u>(9,640)</u>	<u>1,187,229</u>
<u>Charges for Services:</u>				
Zoning Fees	5,845	5,216	(629)	5,735
Duplicating-Photostat Service	2,694	2,766	72	6,306
Police Department Revenue	4,255	7,475	3,220	5,330
Cable TV Revenue	29,000	29,133	133	30,613
Children's Christmas Party	4,400	4,512	112	2,100
Recreation Department	14,000	16,785	2,785	15,741
Sumpter Country Festival	42,000	37,641	(4,359)	38,972
Cemetery	250	250	--	50
Other	100	7,375	7,275	6,150
Total Charges for Services	<u>102,544</u>	<u>111,153</u>	<u>8,609</u>	<u>110,997</u>

Sumpter Township
General Fund
Detailed Schedule of Revenues - Budget and Actual
For the Year Ended March 31, 2004
With Comparative Actual Amounts for the Year Ended March 31, 2003

	Approved Budget	Actual	Variance Favorable (Unfavorable)	March 31, 2003 Actual
<u>Fines and Forfeits:</u>				
Court Judgment Fees	\$ 20,100	\$ 26,368	\$ 6,268	\$ 43,924
<u>Interest and Rents:</u>				
Interest Earned on Deposits	8,625	11,985	3,360	11,112
Rents	30,400	33,290	2,890	35,540
Total Interest and Rents	39,025	45,275	6,250	46,652
<u>Miscellaneous:</u>				
Special Assessments - Rubbish	139,000	124,486	(14,514)	138,796
Reimbursements:				
Water Administration Fee	120,000	120,000	--	120,000
Senior Alliance, Inc.	7,500	8,935	1,435	6,652
SMART	19,550	21,346	1,796	23,165
Refunds	12,500	18,400	5,900	1,938
Senior Trips and Activities	--	3,648	3,648	3,830
Contributions from Outside Sources	--	19,300	19,300	6,000
Other Revenue	7,500	4,840	(2,660)	4,444
Total Miscellaneous	306,050	320,955	14,905	304,825
Total Revenues	1,941,804	2,003,850	62,046	2,157,583
<u>Other Financing Sources:</u>				
Capital Lease Proceeds	--	164,635	164,635	--
Operating Transfers In:				
Police Fund	400,000	324,000	(76,000)	351,113
Community Development Block Grant	17,500	17,250	(250)	19,050
911 Emergency Service Fund	41,194	41,354	160	14,582
Royalties Fund	1,400,000	1,200,000	(200,000)	956,000
Bingo Fund	10,000	13,316	3,316	11,552
Total Other Financing Sources	1,868,694	1,760,555	(108,139)	1,352,297
Total Revenues and Other Financing Sources	\$ 3,810,498	\$ 3,764,405	\$ (46,093)	\$ 3,509,880

Sumpter Township
General Fund
Detailed Schedule of Expenditures - Budget and Actual
For the Year Ended March 31, 2004
With Comparative Actual Amounts for the Year Ended March 31, 2003

	Approved Budget	Actual	Variance Favorable (Unfavorable)	March 31, 2003 Actual
<u>Township Board:</u>				
Salaries	\$ 20,000	\$ 28,631	\$ (8,631)	\$ 20,000
Fringe Benefits	18,500	7,600	10,900	18,325
Operating Supplies	1,200	1,005	195	612
Contracted Services	4,000	3,036	964	3,334
Memberships and Dues	9,300	6,845	2,455	7,349
Communications	2,400	2,022	378	1,997
Transportation and Travel	500	64	436	--
Other Expense	1,000	75	925	547
Capital Outlay	500	--	500	--
Total Township Board	<u>57,400</u>	<u>49,278</u>	<u>8,122</u>	<u>52,164</u>
<u>Township Supervisor:</u>				
Salaries	109,950	103,455	6,495	130,314
Fringe Benefits	41,405	45,574	(4,169)	50,508
Children's Christmas Party	6,500	6,323	177	1,532
Operating Supplies	4,200	4,893	(693)	1,644
Contracted Services	1,000	75	925	69
Computer Services	--	805	(805)	--
Communications	1,200	1,034	166	3,313
Transportation and Travel	1,000	987	13	640
Training and Education	5,000	4,554	446	2,465
Other Expense	2,100	2,069	31	791
Capital Outlay	4,500	5,779	(1,279)	805
Total Township Supervisor	<u>176,855</u>	<u>175,548</u>	<u>1,307</u>	<u>192,081</u>
<u>Election:</u>				
Office Supplies	3,500	2,076	1,424	6,935
Election Workers	35,000	23,071	11,929	13,100
Fringe Benefits	800	573	227	330
Election Supplies	500	11,071	(10,571)	--
Printing and Publishing	825	803	22	521
Equipment Maintenance	100	41	59	--
Other Expense	1,500	1,330	170	543
Capital Outlay	2,300	2,280	20	39,664
Total Election	<u>44,525</u>	<u>41,245</u>	<u>3,280</u>	<u>61,093</u>
<u>Data Processing Department:</u>				
Salaries	3,000	--	3,000	--
Fringe Benefits	600	--	600	--
Operating Supplies	500	--	500	--
Contracted Services	8,500	6,279	2,221	5,730
Training and Education	3,500	--	3,500	--
Equipment Repair and Maintenance	500	--	500	--
Capital Outlay	7,500	--	7,500	3,495
Total Data Processing Department	<u>24,100</u>	<u>6,279</u>	<u>17,821</u>	<u>9,225</u>
<u>Independent Accounting and Audit</u>				
	<u>50,580</u>	<u>59,305</u>	<u>(8,725)</u>	<u>49,580</u>
<u>Assessor:</u>				
Contracted Services	<u>25,500</u>	<u>18,679</u>	<u>6,821</u>	<u>23,278</u>

Sumpter Township
General Fund
Detailed Schedule of Expenditures - Budget and Actual
For the Year Ended March 31, 2004
With Comparative Actual Amounts for the Year Ended March 31, 2003

	Approved Budget	Actual	Variance Favorable (Unfavorable)	March 31, 2003 Actual
<u>Attorney</u>	\$ 70,500	\$ 63,158	\$ 7,342	\$ 70,514
<u>Township Clerk:</u>				
Salaries	210,950	210,646	304	193,685
Fringe Benefits	69,014	65,735	3,279	64,274
Operating Supplies	2,750	4,497	(1,747)	2,590
Contracted Services	300	299	1	147
Computer Services	--	--	--	343
Communications	2,450	2,346	104	1,691
Transportation and Travel	450	436	14	265
Training and Education	5,500	2,712	2,788	3,389
Other Expense	500	1,182	(682)	318
Capital Outlay	3,500	--	3,500	2,391
Total Township Clerk	295,414	287,853	7,561	269,093
<u>Board of Review:</u>				
Salaries	5,000	2,970	2,030	2,772
Fringe Benefits	600	243	357	176
Office Supplies	350	33	317	--
Computer Services	100	--	100	--
Transportation and Travel	250	18	232	16
Printing and Publishing	250	91	159	192
Total Board of Review	6,550	3,355	3,195	3,156
<u>General Office:</u>				
Office Supplies	20,250	21,193	(943)	20,551
Contracted Services	3,250	1,922	1,328	2,329
Printing and Publishing	12,000	11,379	621	10,884
Newsletter	1,000	--	1,000	--
Other Expense	500	290	210	2,696
Capital Outlay	500	--	500	--
Total General Office	37,500	34,784	2,716	36,460
<u>Community Promotion (Sumpter Fest):</u>				
Salaries	5,000	4,155	845	5,248
Fringe Benefits	900	748	152	612
Operating Supplies	10,000	7,815	2,185	5,626
Contracted Services	41,000	39,402	1,598	35,309
Membership and Dues	500	--	500	425
Transportation and Travel	500	--	500	--
Printing and Publishing	5,000	2,122	2,878	2,679
Insurance and Bonds	3,500	2,926	574	563
Utilities	500	--	500	1,081
Other Expense	1,700	604	1,096	202
Total Community Promotion (Sumpter Fest)	68,600	57,772	10,828	51,745

Sumpter Township
General Fund
Detailed Schedule of Expenditures - Budget and Actual
For the Year Ended March 31, 2004
With Comparative Actual Amounts for the Year Ended March 31, 2003

	Approved Budget	Actual	Variance Favorable (Unfavorable)	March 31, 2003 Actual
<u>Township Treasurer:</u>				
Salaries	\$ 57,585	\$ 56,433	\$ 1,152	\$ 48,224
Fringe Benefits	24,065	20,310	3,755	19,421
Operating Supplies	4,000	1,480	2,520	3,243
Contracted Services	7,250	6,038	1,212	8,177
Computer Services	1,000	--	1,000	--
Communications	750	720	30	656
Tax Roll Preparation	3,600	3,569	31	--
Transportation and Travel	970	946	24	949
Training and Education	3,500	1,038	2,462	595
Other Expense	500	66	434	378
Capital Outlay	3,500	--	3,500	626
Total Township Treasurer	<u>106,720</u>	<u>90,600</u>	<u>16,120</u>	<u>82,269</u>
<u>Township Hall and Grounds:</u>				
Salaries	8,000	--	8,000	7,482
Fringe Benefits	700	--	700	554
Operating Supplies	5,500	6,709	(1,209)	4,568
Contracted Services	18,900	17,352	1,548	28,415
Communications	13,500	12,406	1,094	10,723
Utilities	15,000	12,035	2,965	13,947
Repairs and Maintenance	5,000	3,838	1,162	1,862
Other Expense	2,800	2,667	133	1,927
Capital Outlay	75,000	67,408	7,592	30,301
Total Township Hall and Grounds	<u>144,400</u>	<u>122,415</u>	<u>21,985</u>	<u>99,779</u>
<u>Civic Center:</u>				
Salaries	8,000	6,643	1,357	4,997
Fringe Benefits	1,300	968	332	661
Operating Supplies	3,300	4,063	(763)	2,671
Contracted Services	12,000	4,574	7,426	9,424
Communications	800	660	140	719
Utilities	9,500	4,294	5,206	7,618
Repairs and Maintenance	15,000	7,736	7,264	6,164
Other Expense	500	--	500	--
Capital Outlay	60,000	3,529	56,471	157,780
Total Civic Center	<u>110,400</u>	<u>32,467</u>	<u>77,933</u>	<u>190,034</u>
<u>PNA Hall:</u>				
Salaries	3,100	2,805	295	5,121
Fringe Benefits	725	524	201	815
Operating Supplies	900	1,278	(378)	673
Contracted Services	6,800	6,296	504	7,046
Communications	650	575	75	609
Utilities	6,600	6,970	(370)	6,347
Building Repairs and Maintenance	2,900	2,173	727	1,637
Other Expense	100	--	100	--
Capital Outlay	2,500	--	2,500	3,684
Total PNA Hall	<u>24,275</u>	<u>20,621</u>	<u>3,654</u>	<u>25,932</u>

Sumpter Township
General Fund
Detailed Schedule of Expenditures - Budget and Actual
For the Year Ended March 31, 2004
With Comparative Actual Amounts for the Year Ended March 31, 2003

	Approved Budget	Actual	Variance Favorable (Unfavorable)	March 31, 2003 Actual
<u>Police Department:</u>				
Salaries	\$ 813,500	\$ 812,547	\$ 953	\$ 752,528
Fringe Benefits	321,500	337,050	(15,550)	293,026
Office Supplies	5,000	3,032	1,968	4,710
Operating Supplies	20,000	22,607	(2,607)	19,168
Board of Prisoners	9,000	3,605	5,395	8,085
Contracted Services	20,000	19,068	932	19,477
Computer Services	--	280	(280)	1,381
Communications	26,200	25,781	419	22,875
Transportation and Travel	20,600	20,655	(55)	15,490
Insurance and Bonds	63,441	64,487	(1,046)	62,526
Utilities	29,850	21,435	8,415	19,973
Building Repairs and Maintenance	10,000	3,249	6,751	5,257
Equipment Repairs and Maintenance	15,000	14,689	311	21,753
Training and Education	8,500	11,429	(2,929)	12,934
Youth at Risk	5	--	5	--
Other Expense	1,000	58,370	(57,370)	357
Capital Outlay	120,000	215,904	(95,904)	43,521
Total Police Department	<u>1,483,596</u>	<u>1,634,188</u>	<u>(150,592)</u>	<u>1,303,061</u>
<u>Radio Communications Department:</u>				
Contracted Services	<u>150,000</u>	<u>142,350</u>	<u>7,650</u>	<u>145,000</u>
<u>Inspection Department:</u>				
Salaries	87,500	104,805	(17,305)	84,017
Fringe Benefits	37,700	40,209	(2,509)	32,010
Office Supplies	2,800	1,035	1,765	2,166
Operating Supplies	1,500	3,384	(1,884)	341
Contracted Services	46,000	44,875	1,125	51,584
Computer Services	1,000	528	472	1,178
Communications	1,250	1,299	(49)	639
Transportation and Travel	3,400	2,994	406	3,010
Training and Education	1,750	--	1,750	583
Building Repairs and Maintenance	500	--	500	168
Equipment Repairs and Maintenance	500	--	500	--
Other Expense	400	100	300	163
Capital Outlay	2,200	--	2,200	--
Total Inspection Department	<u>186,500</u>	<u>199,229</u>	<u>(12,729)</u>	<u>175,859</u>
<u>Planning Department:</u>				
Salaries	1,500	--	1,500	1,479
Fringe Benefits	105	--	105	94
Contracted Services	8,500	3,721	4,779	12,094
Engineer	14,000	--	14,000	--
Planner	5,000	--	5,000	--
Other Expense	1,500	1,095	405	1,826
Total Planning Department	<u>30,605</u>	<u>4,816</u>	<u>25,789</u>	<u>15,493</u>

Sumpter Township
General Fund
Detailed Schedule of Expenditures - Budget and Actual
For the Year Ended March 31, 2004
With Comparative Actual Amounts for the Year Ended March 31, 2003

	Approved Budget	Actual	Variance Favorable (Unfavorable)	March 31, 2003 Actual
<u>Ordinance Department:</u>				
Salaries	\$ 110,615	\$ 110,053	\$ 562	\$ 101,084
Fringe Benefits	38,300	39,072	(772)	31,693
Operating Supplies	1,950	1,774	176	1,254
Contracted Services	3,000	1,847	1,153	3,690
Communications	100	--	100	--
Transportation and Travel	1,200	1,124	76	856
Utilities	3,900	3,962	(62)	4,383
Building Repairs and Maintenance	750	60	690	135
Equipment Repairs and Maintenance	650	447	203	236
Other Expense	75	--	75	--
Capital Outlay	500	--	500	--
Total Ordinance Department	<u>161,040</u>	<u>158,339</u>	<u>2,701</u>	<u>143,331</u>
<u>Department of Public Works:</u>				
Salaries	2,000	--	2,000	3,393
Fringe Benefits	500	--	500	507
Operating Supplies	2,950	3,193	(243)	2,099
Contracted Services	100	--	100	--
Utilities	300	180	120	285
Ground Maintenance	1,000	9	991	2,197
Building Repairs and Maintenance	1,000	283	717	1,330
Equipment Repairs and Maintenance	2,800	2,864	(64)	1,203
Other Expense	350	323	27	62
Capital Outlay	5,800	5,283	517	597
Total Department of Public Works	<u>16,800</u>	<u>12,135</u>	<u>4,665</u>	<u>11,673</u>
<u>Drains</u>	<u>--</u>	<u>10,191</u>	<u>(10,191)</u>	<u>--</u>
<u>Dust Control</u>	<u>3,055</u>	<u>3,056</u>	<u>(1)</u>	<u>2,094</u>
<u>Street Lighting</u>				
Utilities	<u>16,400</u>	<u>17,551</u>	<u>(1,151)</u>	<u>15,857</u>
<u>Sanitation - Rubbish Collection</u>				
Contracted Services	138,500	131,520	6,980	125,801
Other Expense	--	4,048	(4,048)	20,240
Total Sanitation - Rubbish Collection	<u>138,500</u>	<u>135,568</u>	<u>2,932</u>	<u>146,041</u>
<u>Environmental Protection:</u>				
Operating Supplies	100	--	100	--
Contracted Services	2,250	1,300	950	2,028
Total Environmental Protection	<u>2,350</u>	<u>1,300</u>	<u>1,050</u>	<u>2,028</u>

Sumpter Township
General Fund
Detailed Schedule of Expenditures - Budget and Actual
For the Year Ended March 31, 2004
With Comparative Actual Amounts for the Year Ended March 31, 2003

	Approved Budget	Actual	Variance Favorable (Unfavorable)	March 31, 2003 Actual
<u>Other Social Service Activities-</u>				
<u>Senior Citizens:</u>				
Salaries	\$ 84,100	\$ 83,669	\$ 431	\$ 66,385
Fringe Benefits	33,800	34,783	(983)	16,906
Operating Supplies	6,800	6,097	703	4,558
Contracted Services	4,750	3,979	771	4,989
Communications	6,600	6,173	427	7,598
Transportation and Travel	5,700	5,556	144	3,913
Training and Education	1,000	501	499	416
Utilities	22,400	15,620	6,780	14,964
Building Repairs and Maintenance	2,500	790	1,710	4,297
Equipment Repairs and Maintenance	2,000	1,943	57	6,237
Other Expense	2,250	1,922	328	--
Capital Outlay	9,000	8,920	80	1,682
Total Other Social Service Activities-Senior Citizens	180,900	169,953	10,947	131,945
<u>Recreation Department:</u>				
Operating Supplies	6,000	4,391	1,609	3,516
Contracted Services	5,500	4,272	1,228	14,292
Communications	100	--	100	38
Insurance and Bonds	6,850	7,801	(951)	6,817
Transportation and Travel	--	526	(526)	--
Utilities	700	273	427	762
Building Repair and Maintenance	500	2,308	(1,808)	23
Other Expense	2,000	480	1,520	2,710
Capital Outlay	1,500	--	1,500	4,169
Total Recreation Department	23,150	20,051	3,099	32,327
<u>Other Functions:</u>				
Insurance and Bonds	44,500	45,324	(824)	36,768
Judgments	10,000	12,500	(2,500)	--
Unemployment Insurance	500	--	500	--
Workers Compensation	500	--	500	--
Taxes Abated and Written Off	500	--	500	253
Total Other Functions	56,000	57,824	(1,824)	37,021
Total Expenditures	3,692,215	3,629,910	62,305	3,378,133
<u>Other Financing Uses:</u>				
Operating Transfers Out:				
Fire Fund	108,100	108,100	--	108,100
Total Expenditures and Other Financing Uses	\$ 3,800,315	\$ 3,738,010	\$ 62,305	\$ 3,486,233

SPECIAL REVENUE FUNDS

The Special Revenue Funds are to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. The following funds are currently established:

Fire Fund
Police Fund
Royalties Fund
911 Emergency Service Fund
Library System Fund
Community Development Block Grant Fund
Bingo Fund
Federal Commodities Fund

Sumpter Township
Special Revenue Funds
Combining Balance Sheet
March 31, 2004
With Comparative Totals for March 31, 2003

	Fire <u>Fund</u>	Police <u>Fund</u>	Royalties <u>Fund</u>	911 Emergency Service <u>Fund</u>
<u>ASSETS</u>				
Cash and Cash Equivalents	\$ 438,262	\$ 436,959	\$ 1,111,894	\$ 28,376
Taxes Receivable	27,588	55,349	--	--
Accounts Receivable	--	--	241,068	27,560
Due from Other Funds	43,898	87,606	--	--
Due from Other Governmental Units	--	--	--	--
Inventory	--	--	--	--
Prepaid Expenses	793	--	--	--
	<hr/>	<hr/>	<hr/>	<hr/>
Total Assets	<u>\$ 510,541</u>	<u>\$ 579,914</u>	<u>\$ 1,352,962</u>	<u>\$ 55,936</u>
 <u>LIABILITIES AND FUND BALANCE</u>				
Liabilities:				
Accounts Payable	\$ 3,377	\$ --	\$ --	\$ --
Due to Other Funds	17,192	--	--	55,936
Salaries Payable	5,497	--	--	--
Deferred Revenue	4,891	9,839	--	--
	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities	<u>30,957</u>	<u>9,839</u>	<u>--</u>	<u>55,936</u>
Fund Balance:				
Reserved for Fire Operations	415,756	--	--	--
Reserved for Fire Hall Debt Retirement	63,828	--	--	--
Reserved for Police Operations	--	570,075	--	--
Reserved for Library Operations	--	--	--	--
Unreserved, Undesignated	--	--	1,352,962	--
	<hr/>	<hr/>	<hr/>	<hr/>
Total Fund Balance	<u>479,584</u>	<u>570,075</u>	<u>1,352,962</u>	<u>--</u>
	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities and Fund Balance	<u>\$ 510,541</u>	<u>\$ 579,914</u>	<u>\$ 1,352,962</u>	<u>\$ 55,936</u>

The accompanying notes are an integral part of this statement.

Library System Fund	Community Development Block Grant Fund	Bingo Fund	Federal Commodities Fund	Totals Year Ended	
				March 31, 2004	March 31, 2003
\$ 143,409	\$ 335,941	\$ 8,157	\$ --	\$ 2,502,998	\$ 2,167,228
19,315	--	--	--	102,252	92,021
--	--	--	--	268,628	257,670
30,647	4,204	--	--	166,355	78,531
--	86,592	--	--	86,592	164,720
--	--	--	179	179	53
--	--	--	--	793	--
<u>\$ 193,371</u>	<u>\$ 426,737</u>	<u>\$ 8,157</u>	<u>\$ 179</u>	<u>\$ 3,127,797</u>	<u>\$ 2,760,223</u>

\$ 39,000	\$ 8,389	\$ 6,799	\$ --	\$ 57,565	\$ 29,794
--	280,601	--	--	353,729	240,283
--	--	--	--	5,497	7,771
3,433	137,747	--	179	156,089	101,285
<u>42,433</u>	<u>426,737</u>	<u>6,799</u>	<u>179</u>	<u>572,880</u>	<u>379,133</u>
--	--	--	--	415,756	244,684
--	--	--	--	63,828	63,399
--	--	--	--	570,075	428,839
150,938	--	--	--	150,938	118,558
--	--	1,358	--	1,354,320	1,525,610
<u>150,938</u>	<u>--</u>	<u>1,358</u>	<u>--</u>	<u>2,554,917</u>	<u>2,381,090</u>
<u>\$ 193,371</u>	<u>\$ 426,737</u>	<u>\$ 8,157</u>	<u>\$ 179</u>	<u>\$ 3,127,797</u>	<u>\$ 2,760,223</u>

Sumpter Township
Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended March 31, 2004
With Comparative Totals for the Year Ended March 31, 2003

	Fire Fund	Police Fund	Royalties Fund	911 Emergency Service Fund
Revenues:				
Taxes	\$ 231,716	\$ 463,463	\$ --	\$ --
Intergovernmental Revenue	--	--	--	--
Special Assessments	--	--	--	41,247
Royalties	--	--	3,236,113	--
Interest	1,439	1,773	--	107
Other	35	--	--	--
Total Revenues	<u>233,190</u>	<u>465,236</u>	<u>3,236,113</u>	<u>41,354</u>
Expenditures:				
Operation and Maintenance	<u>169,789</u>	<u>--</u>	<u>--</u>	<u>--</u>
Excess of Revenues Over Expenditures	<u>63,401</u>	<u>465,236</u>	<u>3,236,113</u>	<u>41,354</u>
Other Financing Sources/(Uses):				
Operating Transfers from General Fund	108,100	--	--	--
Operating Transfers to General Fund	--	(324,000)	(1,200,000)	(41,354)
Operating Transfers to Water Supply and Sewage Disposal System Fund	--	--	(2,082,396)	--
Operating Transfers from Royalties Fund	119,430	--	--	--
Operating Transfers to Fire Fund	--	--	(119,430)	--
Operating Transfers to General Debt Service Fund	(119,430)	--	--	--
Total Other Financing Sources/(Uses)	<u>108,100</u>	<u>(324,000)</u>	<u>(3,401,826)</u>	<u>(41,354)</u>
Excess of Revenues Over/(Under) Expenditures and Other Financing Uses	171,501	141,236	(165,713)	--
Fund Balance at Beginning of Year	<u>308,083</u>	<u>428,839</u>	<u>1,518,675</u>	<u>--</u>
Fund Balance at End of Year	<u>\$ 479,584</u>	<u>\$ 570,075</u>	<u>\$ 1,352,962</u>	<u>\$ --</u>

The accompanying notes are an integral part of this statement.

Library System Fund	Community Development Block Grant Fund	Bingo Fund	Federal Commodities Fund	Totals Year Ended	
				March 31, 2004	March 31, 2003
\$ 162,113	\$ --	\$ --	\$ --	\$ 857,292	\$ 780,060
--	87,302	--	6,577	93,879	226,758
--	--	--	--	41,247	13,948
--	--	--	--	3,236,113	2,602,080
402	--	--	--	3,721	6,246
--	35,659	120,296	--	155,990	213,084
<u>162,515</u>	<u>122,961</u>	<u>120,296</u>	<u>6,577</u>	<u>4,388,242</u>	<u>3,842,176</u>
 130,135	 105,711	 112,557	 6,577	 524,769	 833,960
 32,380	 17,250	 7,739	 --	 3,863,473	 3,008,216
--	--	--	--	108,100	108,100
--	(17,250)	(13,316)	--	(1,595,920)	(1,352,297)
--	--	--	--	(2,082,396)	(421,450)
--	--	--	--	119,430	118,055
--	--	--	--	(119,430)	(118,055)
--	--	--	--	(119,430)	(118,055)
<u>--</u>	<u>(17,250)</u>	<u>(13,316)</u>	<u>--</u>	<u>(3,689,646)</u>	<u>(1,783,702)</u>
 32,380	 --	 (5,577)	 --	 173,827	 1,224,514
 118,558	 --	 6,935	 --	 2,381,090	 1,156,576
<u>\$ 150,938</u>	<u>\$ --</u>	<u>\$ 1,358</u>	<u>\$ --</u>	<u>\$ 2,554,917</u>	<u>\$ 2,381,090</u>

Sumpter Township
Special Revenue Fund
Fire Fund
Comparative Balance Sheet
March 31, 2004 and 2003

	March 31, <u>2004</u>	March 31, <u>2003</u>
<u>ASSETS</u>		
Cash and Cash Equivalents	\$ 438,262	\$ 300,189
Accounts Receivable	--	2,005
Taxes Receivable	27,588	24,825
Due from Delinquent Tax and Trailer Fund	23,155	1,198
Due from Current Tax Collection Fund	20,743	18,796
Prepaid Expenses	<u>793</u>	<u>--</u>
Total Assets	<u>\$ 510,541</u>	<u>\$ 347,013</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts Payable	\$ 3,377	\$ 25,105
Salaries Payable	5,497	7,771
Due to General Fund	8,192	2,971
Due to Water Supply and Sewage Disposal System Fund	9,000	--
Deferred Revenue	<u>4,891</u>	<u>3,083</u>
Total Liabilities	<u>30,957</u>	<u>38,930</u>
Fund Balance:		
Reserved for Fire Operations	415,756	244,684
Reserved for Fire Hall Debt Retirement	<u>63,828</u>	<u>63,399</u>
Total Fund Balance	<u>479,584</u>	<u>308,083</u>
Total Liabilities and Fund Balance	<u>\$ 510,541</u>	<u>\$ 347,013</u>

The accompanying notes are an integral part of this statement.

Sumpter Township
Special Revenue Fund
Fire Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended March 31, 2004
With Comparative Actual Amounts for the Year Ended March 31, 2003

	Approved Budget	Actual	Variance Favorable (Unfavorable)	March 31, 2003 Actual
Revenues:				
Taxes	\$ 208,404	\$ 231,716	\$ 23,312	\$ 211,873
Interest	1,306	1,439	133	1,826
Other	500	35	(465)	2,083
Total Revenues	<u>210,210</u>	<u>233,190</u>	<u>22,980</u>	<u>215,782</u>
Expenditures:				
Salaries	80,000	75,516	4,484	93,302
Fringe Benefits	6,150	6,380	(230)	5,738
Office Supplies	--	593	(593)	461
Operating Supplies	3,200	2,164	1,036	2,508
Contracted Services	6,500	6,867	(367)	6,429
Communications	3,800	5,958	(2,158)	3,742
Transportation and Travel	4,800	4,543	257	3,198
Insurance and Bonds	29,484	28,691	793	24,161
Utilities	17,520	18,399	(879)	17,520
Building Repairs and Maintenance	2,250	1,515	735	457
Equipment Repairs and Maintenance	6,500	5,292	1,208	3,419
Hydrant Rental	9,000	9,000	--	9,000
Training and Education	3,000	2,198	802	1,665
Interest Expense	100	--	100	--
Other Expense	650	704	(54)	1,954
Capital Outlay	37,000	1,969	35,031	133,117
Total Expenditures	<u>209,954</u>	<u>169,789</u>	<u>40,165</u>	<u>306,671</u>
Excess Revenues Over/(Under) Expenditures	256	63,401	63,145	(90,889)
Other Financing Sources/(Uses):				
Operating Transfers from General Fund	108,100	108,100	--	108,100
Operating Transfers from Royalties Fund	119,430	119,430	--	118,055
Operating Transfers to General Debt Service Fund	(119,430)	(119,430)	--	(118,055)
Total Other Financing Sources	<u>108,100</u>	<u>108,100</u>	<u>--</u>	<u>108,100</u>
Excess of Revenues and Other Financing Sources Over Expenditures	108,356	171,501	63,145	17,211
Fund Balance at Beginning of Year	<u>308,083</u>	<u>308,083</u>	<u>--</u>	<u>290,872</u>
Fund Balance at End of Year	<u>\$ 416,439</u>	<u>\$ 479,584</u>	<u>\$ 63,145</u>	<u>\$ 308,083</u>

The accompanying notes are an integral part of this statement.

Sumpter Township
Special Revenue Fund
Police Fund
Comparative Balance Sheet
March 31, 2004 and 2003

	March 31, <u>2004</u>	March 31, <u>2003</u>
<u>ASSETS</u>		
Cash and Cash Equivalents	\$ 436,959	\$ 345,213
Taxes Receivable	55,349	49,813
Due from Delinquent Tax and Trailer Fund	46,035	2,359
Due from Current Tax Collection Fund	<u>41,571</u>	<u>37,667</u>
Total Assets	<u>\$ 579,914</u>	<u>\$ 435,052</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Deferred Revenue	\$ 9,839	\$ 6,213
Fund Balance:		
Reserved for Police Operations	<u>570,075</u>	<u>428,839</u>
Total Liabilities and Fund Balance	<u>\$ 579,914</u>	<u>\$ 435,052</u>

The accompanying notes are an integral part of this statement.

Sumpter Township
Special Revenue Fund
Police Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended March 31, 2004
With Comparative Actual Amounts for the Year Ended March 31, 2003

	Approved <u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)	March 31, 2003 <u>Actual</u>
Revenues:				
Taxes	\$ 417,874	\$ 463,463	\$ 45,589	\$ 419,926
Interest	1,750	1,773	23	3,392
Total Revenues	<u>419,624</u>	<u>465,236</u>	<u>45,612</u>	<u>423,318</u>
Other Financing Uses:				
Operating Transfers to General Fund	<u>(400,000)</u>	<u>(324,000)</u>	<u>76,000</u>	<u>(351,113)</u>
Excess of Revenues Over/(Under) Expenditures and Other Financing Uses	19,624	141,236	(30,388)	72,205
Fund Balance at Beginning of Year	<u>428,839</u>	<u>428,839</u>	<u>--</u>	<u>356,634</u>
Fund Balance at End of Year	<u>\$ 448,463</u>	<u>\$ 570,075</u>	<u>\$ 121,612</u>	<u>\$ 428,839</u>

The accompanying notes are an integral part of this statement.

Sumpter Township
Special Revenue Fund
Royalties Fund
Comparative Balance Sheet
March 31, 2004 and 2003

	March 31, <u>2004</u>	March 31, <u>2003</u>
<u>ASSETS</u>		
Cash and Cash Equivalents	\$ 1,111,894	\$ 1,265,963
Accounts Receivable	<u>241,068</u>	<u>252,712</u>
Total Assets	<u>\$ 1,352,962</u>	<u>\$ 1,518,675</u>
<u>FUND BALANCE</u>		
Fund Balance:		
Unreserved, Undesignated	<u>\$ 1,352,962</u>	<u>\$ 1,518,675</u>

The accompanying notes are an integral part of this statement.

Sumpter Township
Special Revenue Fund
Royalties Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended March 31, 2004
With Comparative Actual Amounts for the Year Ended March 31, 2003

	Approved <u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)	March 31, 2003 <u>Actual</u>
Revenues:				
Royalties	\$ 3,220,045	\$ 3,236,113	\$ 16,068	\$ 2,602,080
Other Financing Uses:				
Operating Transfers to General Fund	(1,400,000)	(1,200,000)	200,000	(956,000)
Operating Transfers to Water Supply and Sewage Disposal System Fund	(599,614)	(2,082,396)	(1,482,782)	(421,450)
Operating Transfers to Fire Fund	(119,430)	(119,430)	--	(118,055)
Total Other Financing Uses	<u>(2,119,044)</u>	<u>(3,401,826)</u>	<u>(1,282,782)</u>	<u>(1,495,505)</u>
Excess of Revenues Over/(Under) Other Financing Uses	1,101,001	(165,713)	(1,266,714)	1,106,575
Fund Balance at Beginning of Year	<u>1,518,675</u>	<u>1,518,675</u>	<u>--</u>	<u>412,100</u>
Fund Balance at End of Year	<u>\$ 2,619,676</u>	<u>\$ 1,352,962</u>	<u>\$ (1,266,714)</u>	<u>\$ 1,518,675</u>

The accompanying notes are an integral part of this statement.

Sumpter Township
Special Revenue Fund
911 Emergency Service Fund
Comparative Balance Sheet
March 31, 2004 and 2003

	March 31, <u>2004</u>	March 31, <u>2003</u>
<u>ASSETS</u>		
Cash and Cash Equivalents	\$ 28,376	\$ 11,629
Accounts Receivable	<u>27,560</u>	<u>2,953</u>
Total Assets	<u>\$ 55,936</u>	<u>\$ 14,582</u>
<u>LIABILITIES</u>		
Liabilities:		
Due to General Fund	<u>\$ 55,936</u>	<u>\$ 14,582</u>

The accompanying notes are an integral part of this statement.

Sumpter Township - 911 Fund
Special Revenue Fund
911 Emergency Service Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended March 31, 2004
With Comparative Actual Amounts for the Year Ended March 31, 2003

	<u>Approved Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>March 31, 2003 Actual</u>
Revenues:				
Special Assessments	\$ 41,094	\$ 41,247	\$ 153	\$ 13,948
Interest	100	107	7	634
Total Revenues	<u>41,194</u>	<u>41,354</u>	<u>160</u>	<u>14,582</u>
Other Financing Uses:				
Operating Transfers to General Fund	<u>(41,194)</u>	<u>(41,354)</u>	<u>(160)</u>	<u>(14,582)</u>
Excess of Revenues Over Other Financing Uses	--	--	--	--
Fund Balance at Beginning of Year	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Fund Balance at End of Year	<u><u>\$ --</u></u>	<u><u>\$ --</u></u>	<u><u>\$ --</u></u>	<u><u>\$ --</u></u>

The accompanying notes are an integral part of this statement.

Sumpter Township
Special Revenue Fund
Library System Fund
Comparative Balance Sheet
March 31, 2004 and 2003

	March 31, <u>2004</u>	March 31, <u>2003</u>
<u>ASSETS</u>		
Cash and Cash Equivalents	\$ 143,409	\$ 89,359
Taxes Receivable	19,315	17,383
Due from Delinquent Tax and Trailer Fund	16,140	840
Due from Current Tax Collection Fund	<u>14,507</u>	<u>13,145</u>
Total Assets	<u>\$ 193,371</u>	<u>\$ 120,727</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts Payable	\$ 39,000	\$ --
Deferred Revenue	<u>3,433</u>	<u>2,169</u>
Total Liabilities	42,433	2,169
Fund Balance:		
Reserved for Library Operations	<u>150,938</u>	<u>118,558</u>
Total Liabilities and Fund Balance	<u>\$ 193,371</u>	<u>\$ 120,727</u>

The accompanying notes are an integral part of this statement.

Sumpter Township
Special Revenue Fund
Library System Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended March 31, 2004
With Comparative Actual Amounts for the Year Ended March 31, 2003

	<u>Approved Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)	March 31, 2003 <u>Actual</u>
Revenues:				
Taxes	\$ 145,829	\$ 162,113	\$ 16,284	\$ 148,261
Interest	390	402	12	394
Total Revenues	<u>146,219</u>	<u>162,515</u>	<u>16,296</u>	<u>148,655</u>
Expenditures:				
Contracted Services	120,000	129,818	(9,818)	118,466
Miscellaneous Expense	1,000	317	683	1,334
Total Expenditures	<u>121,000</u>	<u>130,135</u>	<u>(9,135)</u>	<u>119,800</u>
Excess of Revenues Over Expenditures	25,219	32,380	7,161	28,855
Fund Balance at Beginning of Year	<u>118,558</u>	<u>118,558</u>	--	89,703
Fund Balance at End of Year	<u><u>\$ 143,777</u></u>	<u><u>\$ 150,938</u></u>	<u><u>\$ 7,161</u></u>	<u><u>\$ 118,558</u></u>

The accompanying notes are an integral part of this statement.

Sumpter Township
Special Revenue Fund
Community Development Block Grant Fund
Comparative Balance Sheet
March 31, 2004 and 2003

	March 31, <u>2004</u>	March 31, <u>2003</u>
<u>ASSETS</u>		
Cash and Cash Equivalents	\$ 335,941	\$ 144,393
Due from Other Governmental Units	86,592	164,720
Due from Water Supply and Sewage Disposal System Fund	4,204	4,204
Due from Current Tax Fund	<u>--</u>	<u>322</u>
Total Assets	<u>\$ 426,737</u>	<u>\$ 313,639</u>
<u>LIABILITIES</u>		
Accounts Payable	\$ 8,389	\$ 1,142
Due to General Fund	280,601	222,730
Deferred Revenue	<u>137,747</u>	<u>89,767</u>
Total Liabilities	<u>\$ 426,737</u>	<u>\$ 313,639</u>

The accompanying notes are an integral part of this statement.

Sumpter Township
Special Revenue Fund
Community Development Block Grant Fund
Statement of Revenues, Expenditure and Changes in Fund Balance
For the Year Ended March 31, 2004
With Comparative Actual Amounts for the Year Ended March 31, 2003

	<u>Year Ended</u>	
	<u>March 31,</u>	<u>March 31,</u>
	<u>2004</u>	<u>2003</u>
Revenues:		
Intergovernmental Revenues:		
Federal Grant	\$ 87,302	\$ 220,586
Other	35,659	81,679
Total Revenues	<u>122,961</u>	<u>302,265</u>
Expenditures:		
Other Functions:		
Community Center Renovation	53,172	163,750
Water Systems	--	6,596
Housing Rehabilitation	34,839	77,766
Planning	15,000	28,360
Administration	2,700	6,743
Total Expenditures	<u>105,711</u>	<u>283,215</u>
Excess of Revenues Over Expenditures	17,250	19,050
Other Financing Uses:		
Operating Transfers to:		
General Fund	<u>(17,250)</u>	<u>(19,050)</u>
Excess of Revenues Over Expenditures and Other Uses	--	--
Fund Balance at Beginning of Year	<u>--</u>	<u>--</u>
Fund Balance at End of Year	<u>\$ --</u>	<u>\$ --</u>

The accompanying notes are an integral part of this statement.

Sumpter Township
Special Revenue Fund
Community Development Block Grant Fund
Statement of Revenues and Expenditures - Budget and Actual
For the Year Ended March 31, 2004

Revenues:

Federal Grants	\$ 87,302
Other	35,659
Total Revenues	<u>\$ 122,961</u>

	Approved Budget	Period Ending 03/31/04	Expenditures Cumulative to 03/31/04	Cumulative Expenditures Compared to Budget
<u>1991 Housing Program Income:</u>				
Housing Rehabilitation	\$ 150,093	\$ 34,839	\$ 34,839	\$ 115,254
Administration	16,677	820	820	15,857
	<u>\$ 166,770</u>	<u>35,659</u>	<u>\$ 35,659</u>	<u>\$ 131,111</u>
<u>1997 Program Income:</u>				
Planning	<u>\$ 6,636</u>	<u>--</u>	<u>\$ --</u>	<u>\$ 6,636</u>
<u>2002 Grant Program:</u>				
Community Center Renovation	\$ 82,550	--	\$ 82,550	\$ --
Public Service - Transfer to General Fund	19,050	--	19,050	--
Planning	22,860	--	22,860	--
Administration	2,540	710	2,540	--
	<u>\$ 127,000</u>	<u>710</u>	<u>\$ 127,000</u>	<u>\$ --</u>
<u>2003 Grant Program:</u>				
Community Center Renovation	\$ 80,500	53,172	\$ 53,172	\$ 27,328
Public Service - Transfer to General Fund	17,250	17,250	17,250	--
Planning	15,000	15,000	15,000	--
Administration	2,250	1,170	1,170	1,080
	<u>\$ 115,000</u>	<u>86,592</u>	<u>\$ 86,592</u>	<u>\$ 28,408</u>
Total Expenditures		<u>\$ 122,961</u>		

The accompanying notes are an integral part of this statement.

Sumpter Township
Special Revenue Fund
Bingo Fund
Comparative Balance Sheet
March 31, 2004 and 2003

	March 31, <u>2004</u>	March 31, <u>2003</u>
<u>ASSETS</u>		
Cash and Cash Equivalents	<u>\$ 8,157</u>	<u>\$ 10,482</u>
 <u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts Payable	\$ 6,799	\$ 3,547
Fund Balance:		
Unreserved	<u>1,358</u>	<u>6,935</u>
Total Liabilities and Fund Balance	<u>\$ 8,157</u>	<u>\$ 10,482</u>

The accompanying notes are an integral part of this statement.

Sumpter Township
Special Revenue Fund
Bingo Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended March 31, 2004
With Comparative Actual Amounts for the Year Ended March 31, 2003

	Approved Budget	Actual	Variance Favorable (Unfavorable)	March 31, 2003 Actual
Revenues:				
Receipts	\$ 128,000	\$ 120,296	\$ (7,704)	\$ 129,322
Interest	10	--	(10)	--
Total Revenues	<u>128,010</u>	<u>120,296</u>	<u>(7,714)</u>	<u>129,322</u>
Expenditures:				
Prizes	101,400	94,977	6,423	99,436
Office Expense	100	--	100	--
Operating Supplies	9,400	7,616	1,784	9,314
Contracted Services	9,000	9,237	(237)	8,445
Advertisement	985	727	258	907
Transportation and Travel	50	--	50	--
Equipment Repair and Maintenance	50	--	50	--
Total Expenditures	<u>120,985</u>	<u>112,557</u>	<u>8,428</u>	<u>118,102</u>
Excess of Revenues Over Expenditures	7,025	7,739	714	11,220
Other Financing Uses:				
Operating Transfers to General Fund	<u>(10,000)</u>	<u>(13,316)</u>	<u>(3,316)</u>	<u>(11,552)</u>
Excess of Revenues (Under) Expenditures and Other Financing Uses	(2,975)	(5,577)	(2,602)	(332)
Fund Balance at Beginning of Year	<u>6,935</u>	<u>6,935</u>	<u>--</u>	<u>7,267</u>
Fund Balance at End of Year	<u>\$ 3,960</u>	<u>\$ 1,358</u>	<u>\$ (2,602)</u>	<u>\$ 6,935</u>

The accompanying notes are an integral part of this statement.

Sumpter Township
Special Revenue Fund
Federal Commodities Fund
Comparative Balance Sheet
March 31, 2004 and 2003

	March 31, <u>2004</u>	March 31, <u>2003</u>
<u>ASSETS</u>		
Commodities Inventory	<u>\$ 179</u>	<u>\$ 53</u>
<u>LIABILITIES</u>		
Deferred Revenue	<u>\$ 179</u>	<u>\$ 53</u>

The accompanying notes are an integral part of this statement.

Sumpter Township
Special Revenue Fund
Federal Commodities Fund
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended March 31, 2004
With Comparative Actual Amounts for the Year Ended March 31, 2003

	Approved <u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)	March 31, 2003 <u>Actual</u>
Revenues:				
Federal Commodities	\$ 8,000	\$ 6,577	\$ (1,423)	\$ 6,172
Expenditures:				
Commodities Distribution	8,000	6,577	1,423	6,172
Excess of Revenues Over Expenditures	--	--	--	--
Fund Balance at Beginning of Year	--	--	--	--
Fund Balance at End of Year	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

The accompanying notes are an integral part of this statement.

GENERAL DEBT SERVICE FUND

The General Debt Service Fund is used to account for the accumulation of resources for, and the payment of, the current portion of General Obligation Long-Term Debt principal and interest.

Sumpter Township
General Debt Service Fund
Combining Balance Sheet
March 31, 2004
With Comparative Totals for March 31, 2003

	1996 Public Safety Facility <u>Bonds</u>	2000 Special Assessment <u>Bonds</u>	<u>Totals Year Ended</u>	
			March 31, <u>2004</u>	March 31, <u>2003</u>
<u>ASSETS</u>				
Taxes Receivable	\$ --	\$ 22,364	\$ 22,364	\$ 6,242
Special Assessments Receivable:				
Current	--	32,820	32,820	35,193
Due from Water Supply and Sewage				
Disposal System	--	33,917	33,917	49,246
Due from Delinquent Tax and Trailer Fund	--	5,773	5,773	--
Due from Current Tax Collection Fund	--	3,833	3,833	4,888
Deferred Charges	--	164,103	164,103	211,158
	<hr/>	<hr/>	<hr/>	<hr/>
Total Assets	\$ --	\$ 262,810	\$ 262,810	\$ 306,727
	<hr/>	<hr/>	<hr/>	<hr/>
<u>LIABILITIES AND FUND BALANCE</u>				
Liabilities:				
Deferred Revenue - Special Assessments	\$ --	\$ 196,922	\$ 196,922	\$ 246,352
Fund Balance:				
Reserved for Debt Service	--	65,888	65,888	60,375
	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities and Fund Balance	\$ --	\$ 262,810	\$ 262,810	\$ 306,727
	<hr/>	<hr/>	<hr/>	<hr/>

The accompanying notes are an integral part of this statement.

Sumpter Township
General Debt Service Fund
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended March 31, 2004
With Comparative Totals for the Year Ended March 31, 2003

	1996 Public Safety Facility Bonds	2000 Special Assessment Bonds	<u>Totals Year Ended</u>	
			March 31, <u>2004</u>	March 31, <u>2003</u>
Revenues:				
Special Assessments	\$ --	\$ 62,688	\$ 62,688	\$ 59,915
Interest Income	--	291	291	661
Total Revenues	<u>--</u>	<u>62,979</u>	<u>62,979</u>	<u>60,576</u>
Expenditures:				
Debt Service:				
Principal	75,000	42,174	117,174	112,174
Interest	43,880	15,292	59,172	64,905
Fees	550	--	550	550
Total Expenditures	<u>119,430</u>	<u>57,466</u>	<u>176,896</u>	<u>177,629</u>
Excess of Revenues Over/(Under) Expenditures	(119,430)	5,513	(113,917)	(117,053)
Other Financing Sources:				
Operating Transfers from Fire Fund	<u>119,430</u>	<u>--</u>	<u>119,430</u>	<u>118,055</u>
Excess of Revenues and Other Financing Sources Over Expenditures	--	5,513	5,513	1,002
Fund Balance at Beginning of Year	<u>--</u>	<u>60,375</u>	<u>60,375</u>	<u>59,373</u>
Fund Balance at End of Year	<u>\$ --</u>	<u>\$ 65,888</u>	<u>\$ 65,888</u>	<u>\$ 60,375</u>

The accompanying notes are an integral part of this statement.

CAPITAL PROJECTS FUND

Sumpter Township
Capital Projects Fund
Comparative Balance Sheet
March 31, 2004 and 2003

	March 31, <u>2004</u>	March 31, <u>2003</u>
<u>ASSETS</u>		
Due from Water Supply and Sewage Disposal Fund	<u>\$ 58,627</u>	<u>\$ 59,182</u>
<u>FUND BALANCE</u>		
Fund Balance:		
Reserved for Road Construction	<u>\$ 58,627</u>	<u>\$ 59,182</u>

The accompanying notes are an integral part of this statement.

Sumpter Township
Capital Projects Fund
Comparative Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended March 31, 2004 and 2003

	<u>Year Ended</u>	
	March 31, <u>2004</u>	March 31, <u>2003</u>
Revenues:		
Interest	\$ (555)	\$ 2,272
Expenditures:		
Capital Outlay Road Construction	--	48,994
Excess of Revenues Under Expenditures	(555)	(46,722)
Fund Balance at Beginning of Year	59,182	105,904
Fund Balance at End of Year	<u>\$ 58,627</u>	<u>\$ 59,182</u>

The accompanying notes are an integral part of this statement.

ENTERPRISE FUND

Water Supply and Sewage Disposal System Fund

Sumpter Township
Enterprise Fund
Water Supply and Sewage Disposal System Fund
Comparative Balance Sheet
March 31, 2004 and 2003

	March 31, <u>2004</u>	March 31, <u>2003</u>
<u>ASSETS</u>		
Current Assets:		
Receiving Account:		
Checking	\$ 999,826	\$ 528,081
Trust Account - Special Assessment	264,803	305,408
Receivables:		
Accounts	326,879	265,622
Special Assessments - Current	61,895	62,901
Due from Fire Fund	9,000	--
Due from Current Tax Collection Fund	5,625	7,738
Due from Delinquent Tax and Trailer fund	28,684	--
Inventory	32,960	40,206
Total Current Assets	<u>1,729,672</u>	<u>1,209,956</u>
Restricted Assets:		
Contract Payment Account:		
Checking	834,307	1,111,841
Delinquent Personal Property Taxes Receivable	215	980
Due from Delinquent Tax and Trailer Fund	75	--
Water Revenue Bond - Bond and Interest Redemption Account:		
Trust Account	65,267	64,698
Sewer Revenue Bond - Bond and Interest Redemption Account:		
Trust Account	96,596	291,284
Sewer Construction - Phase II	1,690,966	923,100
Total Restricted Assets	<u>2,687,426</u>	<u>2,391,903</u>
Other Assets:		
Non-Current Portion of Special Assessments Receivable	251,197	319,097
Deferred Charges	10,690	--
Total Other Assets	<u>261,887</u>	<u>319,097</u>
Property, Plant and Equipment	18,755,018	18,651,498
Less: Accumulated Depreciation	(7,553,832)	(7,160,556)
Construction in Progress	2,172,085	1,171,526
Total Property, Plant and Equipment	<u>13,373,271</u>	<u>12,662,468</u>
 Total Assets	 <u>\$ 18,052,256</u>	 <u>\$ 16,583,424</u>

The accompanying notes are an integral part of this statement.

	March 31, 2004	March 31, 2003
<u>LIABILITIES AND FUND EQUITY</u>		
Current Liabilities (Payable from Current Assets):		
Accounts Payable	\$ 73,835	\$ 93,367
Retainage Payable	10,275	6,772
Maturing Revenue Bonds Payable	40,000	35,000
Maturing Special Assessment Bonds Payable	37,826	37,826
Accrued Interest Payable on Revenue Bonds	9,626	10,063
Accrued Interest Payable on Special Assessment Bonds	902	1,063
Due to General Fund	209,211	6,716
Due to Community Development Block Grant Fund	4,204	4,204
Due to General Debt Service Fund	33,917	49,246
Due to Capital Project Fund	58,627	59,182
Due to Delinquent Tax and Trailer Fund	--	33
Customer Deposits	51,790	51,862
Salaries Payable	15,632	8,572
Deferred Revenue	26,161	26,162
Total Current Liabilities (Payable from Current Assets)	<u>572,006</u>	<u>390,068</u>
Current Liabilities (Payable from Restricted Assets):		
Contract Payment Account:		
Due to Delinquent Tax and Trailer Fund	--	815
Due to Current Tax Collection Fund	147	147
Maturing Contracts Payable	95,000	245,000
Accrued Interest Payable on Contracts	6,625	10,750
Deferred Revenue	215	980
Sewer Revenue Bond - Bond and Interest Redemption Account:		
Accounts Payable	207,681	112,166
Retainage Payable	79,560	--
Maturing Bonds Payable	--	155,000
Accrued Interest Payable on Revenue Bonds	8,266	58,700
Total Current Liabilities (Payable from Restricted Assets)	<u>397,494</u>	<u>583,558</u>
Long-Term Debt:		
Water and Sewer Bonds and Contracts Payable (Net of Deferred Amount on Refunding)	3,818,932	4,512,753
Less: Amount Due Within One Year	(172,826)	(472,826)
Total Long-Term Debt	<u>3,646,106</u>	<u>4,039,927</u>
Total Liabilities	<u>4,615,606</u>	<u>5,013,553</u>
Fund Equity:		
Contributed Capital:		
Federal Grants	493,201	493,201
FmHa Administration Grants	1,486,914	1,543,967
Federal Community Development Block Grant	86,509	88,515
Customers	309,142	309,142
Total Contributed Capital	<u>2,375,766</u>	<u>2,434,825</u>
Retained Earnings:		
Reserved for:		
Bond and Contract Retirement	886,207	997,411
Sewer Construction	1,403,725	810,934
Unreserved	8,770,952	7,326,701
Total Retained Earnings	<u>11,060,884</u>	<u>9,135,046</u>
Total Fund Equity	<u>13,436,650</u>	<u>11,569,871</u>
Total Liabilities and Fund Equity	<u>\$ 18,052,256</u>	<u>\$ 16,583,424</u>

Sumpter Township
Enterprise Fund
Water Supply and Sewage Disposal System Fund
Comparative Statement of Revenues, Expenses and Changes in Retained Earnings
For the Years Ended March 31, 2004 and 2003

	March 31, <u>2004</u>	March 31, <u>2003</u>
Operating Revenues:		
Water Sales	\$ 1,226,772	\$ 1,263,986
Sewage Disposal	192,092	155,049
Water Tap Fees	82,722	108,783
Sewer Connection Charges	5,017	--
Permits	770	485
Charges for Services	12,115	30,291
Hydrant Rental	11,443	9,000
Penalties	27,602	31,616
Total Operating Revenues	<u>1,558,533</u>	<u>1,599,210</u>
Operating Expenses (See Page 81)	<u>1,637,642</u>	<u>1,618,968</u>
Operating Loss	<u>(79,109)</u>	<u>(19,758)</u>
Non-Operating Revenues/(Expenses):		
Interest Earned on Deposits	36,414	60,847
Delinquent Tax Collection	1,595	1,372
Interest on Delinquent Taxes	134	10
Interest Expense	(173,061)	(240,893)
Paying Agent Fees	(1,591)	(1,611)
Total Non-Operating Revenues/(Expenses)	<u>(136,509)</u>	<u>(180,275)</u>
Loss Before Operating Transfers	(215,618)	(200,033)
Operating Transfers from Royalties Fund	<u>2,082,396</u>	<u>421,450</u>
Net Income	1,866,778	221,417
Add Depreciation on Fixed Assets Acquired by FmHa and Federal Grants	<u>59,060</u>	<u>59,060</u>
Increase in Retained Earnings	1,925,838	280,477
Retained Earnings at Beginning of Year	<u>9,135,046</u>	<u>8,854,569</u>
Retained Earnings at End of Year	<u>\$ 11,060,884</u>	<u>\$ 9,135,046</u>

The accompanying notes are an integral part of this statement.

Sumpter Township
Enterprise Fund
Water Supply and Sewage Disposal System Fund
Schedule of Operating Expenses
For the Years Ended March 31, 2004 and 2003

	March 31, <u>2004</u>	March 31, <u>2003</u>
Operating Expenses:		
Water Purchased	\$ 487,319	\$ 512,113
Salaries and Wages	264,948	228,924
Fringe Benefits	77,365	65,871
Office Expense	5,102	8,281
Operating Supplies	6,813	6,051
Attorney Fees	77,473	55,341
Contracted Services	19,352	18,667
Accounting and Audit	27,320	23,890
Memberships and Dues	783	767
Administration Fee	120,000	120,000
Communications	4,824	5,002
Transportation	8,753	6,618
Insurance and Bonds	7,307	3,696
Judgments	--	200
Utilities	8,425	10,230
Repairs and Maintenance of Water Lines	9,584	6,273
Repairs and Maintenance of Sewer System	--	42,914
Building Repair and Maintenance	--	160
Equipment Repair and Maintenance	2,412	1,091
YCUA Rent	114,791	105,591
Training and Education	616	1,285
Other	1,180	4,456
Depreciation	<u>393,275</u>	<u>391,547</u>
Total Operating Expenses	<u>\$ 1,637,642</u>	<u>\$ 1,618,968</u>

Sumpter Township
Enterprise Fund
Water Supply and Sewage Disposal System Fund
Schedule of Property, Plant and Equipment
March 31, 2004

	<u>Cost</u>	<u>Depreciation</u>	<u>Net Assets</u> <u>March 31,</u> <u>2004</u>
Land	\$ 73,368	\$ --	\$ 73,368
Building	139,322	94,739	44,583
Land Improvements and Additions:			
Water Mains	12,249,083	5,816,692	6,432,391
Water Meters	409,328	121,295	288,033
Water Connections	1,740,963	514,213	1,226,750
Sewer System	3,826,851	725,031	3,101,820
	<u>18,226,225</u>	<u>7,177,231</u>	<u>11,048,994</u>
Machinery and Equipment	316,103	281,862	34,241
Sub Total	<u>18,755,018</u>	<u>7,553,832</u>	<u>11,201,186</u>
Construction in Progress			
Sewer System	2,172,085	--	2,172,085
Total Property, Plant and Equipment	<u>\$ 20,927,103</u>	<u>\$ 7,553,832</u>	<u>\$ 13,373,271</u>

Sumpter Township
Enterprise Fund
Water Supply and Sewage Disposal System Fund
Schedule of Long-Term Debt
March 31, 2004
(Page 1 of 2)

Fiscal Year Ended	Wayne Co. Metropolitan Water Supply System Sumpter Township Section	Water Revenue Bonds (FmHa)		Canton, Van Buren, Sumpter Water and Sewage Disposal Authority	Water and Sewage Disposal System Revenue Refunding Bonds
	Series I <u>4/01/66</u>	Series I <u>6/23/78</u>	Series II <u>12/08/78</u>	1978 Series	2004 Series
2005	\$ 60,000	\$ 35,000	\$ 5,000	\$ 35,000	\$ --
2006	--	35,000	5,000	35,000	215,000
2007	--	35,000	5,000	35,000	220,000
2008	--	40,000	5,000	35,000	225,000
2009	--	40,000	10,000	35,000	230,000
2010	--	40,000	10,000	35,000	235,000
2011	--	45,000	10,000	40,000	240,000
2012	--	45,000	10,000	40,000	250,000
2013	--	50,000	10,000	40,000	255,000
2014	--	50,000	15,000	40,000	265,000
2015	--	50,000	15,000	40,000	270,000
2016	--	50,000	15,000	40,000	--
2017	--	50,000	15,000	40,000	--
2018	--	--	75,000	40,000	--
	<u>\$ 60,000</u>	<u>\$ 565,000</u>	<u>\$ 205,000</u>	<u>\$ 530,000</u>	<u>\$ 2,405,000</u>

The accompanying notes are an integral part of this statement.

Special Assessment Bonds						
1999 <u>Series</u>	2000 <u>Series</u>	Total Debt <u>Requirements</u>	Total Interest <u>on All Debt</u>	Total Debt and Interest <u>Requirements</u>	Fiscal Year <u>Ended</u>	
\$ 20,000	\$ 17,826	\$ 172,826	\$ 125,362	\$ 298,188	2005	
20,000	17,826	327,826	136,781	464,607	2006	
20,000	17,826	332,826	126,790	459,616	2007	
20,000	17,826	342,826	116,698	459,524	2008	
20,000	19,312	354,312	106,239	460,551	2009	
--	19,311	339,311	94,664	433,975	2010	
--	--	335,000	83,300	418,300	2011	
--	--	345,000	71,350	416,350	2012	
--	--	355,000	59,100	414,100	2013	
--	--	370,000	45,812	415,812	2014	
--	--	375,000	31,288	406,288	2015	
--	--	105,000	16,250	121,250	2016	
--	--	105,000	11,000	116,000	2017	
--	--	115,000	5,750	120,750	2018	
<u>\$ 100,000</u>	<u>\$ 109,927</u>	<u>\$ 3,974,927</u>	<u>\$ 1,030,384</u>	<u>\$ 5,005,311</u>		

Sumpter Township
Enterprise Fund
Water Supply and Sewage Disposal System Fund
Schedule of Long-Term Debt
March 31, 2004
(Page 2 of 2)

Description of Bonds Outstanding:

- (1) Wayne County Metropolitan Water Supply System Series I Bonds dated April 1, 1966 mature on April 1, 2005. Interest at a rate of 4.5% is payable semi-annually on April 1 and October 1.
- (2) Water Supply System Revenue Bonds dated June 23, 1978 mature January 1 of each year. Interest at a rate of 5% is payable semi-annually on January 1 and July 1.
- (3) Water Supply System Revenue Bonds - Series II dated December 8, 1978 mature on January 1 of each year. Interest at a rate of 5% is payable semi-annually on January 1 and July 1.
- (4) Canton, Van Buren and Sumper Water and Sewage Disposal Authority Contract dated December 9, 1978, principal is due January 1 of each year. Interest at a rate of 5% is payable semi-annually on January 1 and July 1.
- (5) Water and Sewerage Disposal System Revenue Refunding Bonds dated February 18, 2004, principal is due beginning November 1, 2005 and each year thereafter through November 1, 2014. Interest rates for bonds maturing during the following fiscal years are: 2005-2008, 2.0%; 2009, 2.3%; 2010, 2.6%; 2011-2012, 3.0%, 2013, 3.25%; 2014, 3.5%; and 2015, 3.625% due on May 1 and November 1.
- (6) Wayne County Special Assessment Bonds dated October 1, 1999, mature on March 1 of each year. Interest at a rate of 5.25% is payable semi-annually on March 1 and September 1.
- (7) Wayne County Special Assessment Bonds dated October 1, 2000, mature on March 1 of each year. Interest rates for bonds maturing during the following fiscal years are: 2005-2007, 5.00%; 2008-2009, 5.10%; 2010, 5.20%, due on March 1 and September 1.

FIDUCIARY FUNDS

Fiduciary Funds are used to account for assets held by the Township in a transfer capacity or as an agent for individuals, private organizations, or other governmental units and/or funds. These include the Pension Fund and Agency Funds. The Pension Fund is accounted for in essentially the same manner as Proprietary Funds. Agency Funds are accounted for in essentially the same manner as Governmental Funds.

Sumpter Township
Fiduciary Funds
Combining Balance Sheet
March 31, 2004
With Comparative Totals for March 31, 2003

	Employee Pension Fund	Agency Funds	Totals Year Ended March 31, 2004	March 31, 2003
<u>ASSETS</u>				
Cash and Cash Equivalents	\$ 785,449	\$ 898,821	\$ 1,684,270	\$ 1,326,522
Accounts Receivable	2,491	21,682	24,173	19,405
Due from Other Funds	--	6,991	6,991	3,369
Prepaid Items	--	522	522	492
Total Assets	<u>\$ 787,940</u>	<u>\$ 928,016</u>	<u>\$ 1,715,956</u>	<u>\$ 1,349,788</u>
<u>LIABILITIES AND FUND BALANCE</u>				
Liabilities:				
Accounts Payable	\$ --	\$ 81,987	\$ 81,987	\$ 4,102
Due to Other Funds	--	281,529	281,529	117,675
Due to Other Governmental Units	--	553,431	553,431	635,952
Salaries Payable	--	8,451	8,451	7,952
Pension Payable	--	2,618	2,618	2,206
Total Liabilities	--	928,016	928,016	767,887
Fund Balance Reserved	<u>787,940</u>	<u>--</u>	<u>787,940</u>	<u>581,901</u>
Total Liabilities and Fund Balance	<u>\$ 787,940</u>	<u>\$ 928,016</u>	<u>\$ 1,715,956</u>	<u>\$ 1,349,788</u>

The accompanying notes are an integral part of this statement.

Sumpter Township
Fiduciary Fund
Employee Pension Fund
Comparative Balance Sheet
March 31, 2004 and 2003

	March 31, <u>2004</u>		March 31, <u>2003</u>	
	<u>Book</u> <u>Value</u>	<u>Market</u> <u>Value</u>	<u>Book</u> <u>Value</u>	<u>Market</u> <u>Value</u>
<u>ASSETS</u>				
Cash and Cash Equivalents	\$ 785,449	\$ 785,449	\$ 582,838	\$ 582,838
Contributions Receivable	<u>2,491</u>	<u>2,491</u>	<u>--</u>	<u>--</u>
Total Assets	<u>\$ 787,940</u>	<u>\$ 787,940</u>	<u>\$ 582,838</u>	<u>\$ 582,838</u>
<u>LIABILITIES AND FUND BALANCE</u>				
Liabilities:				
Accounts Payable	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 937</u>	<u>\$ 937</u>
Fund Balance:				
Reserved For:				
Employee's Contribution	382,254	382,254	278,546	278,546
Employer's Contribution	<u>405,686</u>	<u>405,686</u>	<u>303,355</u>	<u>303,355</u>
Total Fund Balance	<u>787,940</u>	<u>787,940</u>	<u>581,901</u>	<u>581,901</u>
Total Liabilities and Fund Balance	<u>\$ 787,940</u>	<u>\$ 787,940</u>	<u>\$ 582,838</u>	<u>\$ 582,838</u>

The accompanying notes are an integral part of this statement.

Sumpter Township
Fiduciary Fund
Employee Pension Fund
Statement of Revenues, Expenses and Changes in Fund Balance
For the Years Ended March 31, 2004 and 2003

	Reserve for Employee's <u>Contribution</u>	Reserve for Employer's <u>Contribution</u>	Totals <u>Year Ended</u>	
			March 31, <u>2004</u>	March 31, <u>2003</u>
Revenues:				
Contributions by Employer	\$ --	\$ 56,437	\$ 56,437	\$ 50,801
Contributions by Employees	56,437	--	56,437	49,238
Gain/(Loss) on Investments	56,449	57,022	113,471	(88,801)
Total Revenues	<u>112,886</u>	<u>113,459</u>	<u>226,345</u>	<u>11,238</u>
Expenses:				
Benefit Payments	3,866	10,334	14,200	29,786
Refunds:				
Contributions by Employer	--	794	794	3,017
Contributions by Employees	5,312	--	5,312	4,403
Total Expenses	<u>9,178</u>	<u>11,128</u>	<u>20,306</u>	<u>37,206</u>
Net Income/(Loss)	<u>103,708</u>	<u>102,331</u>	<u>206,039</u>	<u>(25,968)</u>
Fund Balance at Beginning of Year	<u>278,546</u>	<u>303,355</u>	<u>581,901</u>	<u>607,869</u>
Fund Balance at End of Year	<u>\$ 382,254</u>	<u>\$ 405,686</u>	<u>\$ 787,940</u>	<u>\$ 581,901</u>

The accompanying notes are an integral part of this statement.

Sumpter Township
Agency Funds
Combining Balance Sheet
March 31, 2004
With Comparative Totals for March 31, 2003

	Delinquent Tax & Trailer Fund	Current Tax Fund	Central Dispatch Network Fund
<u>ASSETS</u>			
Cash and Cash Equivalents	\$ 190,600	\$ 696,764	\$ 11,457
Accounts Receivable	--	--	21,682
Due from General Fund	--	--	6,844
Due from Water Supply and Sewage Disposal System Fund	--	147	--
Prepaid Items	--	--	522
	<hr/>	<hr/>	<hr/>
Total Assets	<u>\$ 190,600</u>	<u>\$ 696,911</u>	<u>\$ 40,505</u>
 <u>LIABILITIES</u>			
Accounts Payable	\$ --	\$ 54,160	\$ 27,827
Salaries Payable	--	--	8,451
Pension Payable	--	--	2,618
Due to General Fund	32,080	43,308	--
Due to Fire Fund	23,155	20,743	--
Due to Police Fund	46,035	41,571	--
Due to Library System Fund	16,140	14,507	--
Due to Community Development Block Grant Fund	--	--	--
Due to General Debt Service Fund	5,773	3,833	--
Due to Water Supply and Sewage Disposal System Fund	28,759	5,625	--
Due to Other Governmental Units	38,658	513,164	1,609
	<hr/>	<hr/>	<hr/>
Total Liabilities	<u>\$ 190,600</u>	<u>\$ 696,911</u>	<u>\$ 40,505</u>

The accompanying notes are an integral part of this statement.

Totals	
<u>Year Ended</u>	
March 31, <u>2004</u>	March 31, <u>2003</u>
\$ 898,821	\$ 743,684
21,682	19,405
6,844	2,374
147	995
<u>522</u>	<u>492</u>
<u>\$ 928,016</u>	<u>\$ 766,950</u>

\$ 81,987	\$ 3,165
8,451	7,952
2,618	2,206
75,388	30,722
43,898	19,994
87,606	40,026
30,647	13,985
--	322
9,606	4,888
34,384	7,738
<u>553,431</u>	<u>635,952</u>
<u>\$ 928,016</u>	<u>\$ 766,950</u>

Sumpter Township
Agency Funds
Combining Statement of Changes in Assets and Liabilities
For the Year Ended March 31, 2004
(Page 1 of 2)

	Balance April 1, 2003	Additions	Deductions	Balance March 31, 2004
<u>Delinquent Tax and Trailer Fund</u>				
<u>ASSETS</u>				
Cash and Cash Equivalents	\$ 32,900	\$ 201,032	\$ 43,332	\$ 190,600
Accounts Receivable	4,683	--	4,683	--
Due from General Fund	--	--	--	--
Due from Water Supply and Sewage Disposal System Fund	848	--	848	--
Total Assets	<u>\$ 38,431</u>	<u>\$ 201,032</u>	<u>\$ 48,863</u>	<u>\$ 190,600</u>
<u>LIABILITIES</u>				
Due to General Fund	\$ 1,659	\$ 39,517	\$ 9,096	\$ 32,080
Due to Fire Fund	1,198	21,957	--	23,155
Due to Police Fund	2,359	43,676	--	46,035
Due to Library System Fund	840	15,300	--	16,140
Due to General Debt Service Fund	--	5,773	--	5,773
Due to Water Supply and Sewage Disposal System Fund	--	29,606	847	28,759
Due to Other Governmental Units	32,375	45,203	38,920	38,658
Total Liabilities	<u>\$ 38,431</u>	<u>\$ 201,032</u>	<u>\$ 48,863</u>	<u>\$ 190,600</u>
<u>2002 Current Tax Collection Fund</u>				
<u>ASSETS</u>				
Cash and Cash Equivalents	\$ 687,489	\$ --	\$ 687,489	\$ --
Due from Water Supply and Sewage Disposal System Fund	147	--	--	147
Total Assets	<u>\$ 687,636</u>	<u>\$ --</u>	<u>\$ 687,489</u>	<u>\$ 147</u>
<u>LIABILITIES</u>				
Due to General Fund	\$ 29,063	\$ --	\$ 29,063	\$ --
Due to Fire Fund	18,796	--	18,796	--
Due to Police Fund	37,667	--	37,667	--
Due to Library System Fund	13,145	--	13,145	--
Due to Community Development Block Grant Fund	322	--	322	--
Due to General Debt Service Fund	4,888	--	4,888	--
Due to Water Supply and Sewage Disposal System Fund	7,738	--	7,591	147
Due to Other Governmental Units	576,017	--	576,017	--
Total Liabilities	<u>\$ 687,636</u>	<u>\$ --</u>	<u>\$ 687,489</u>	<u>\$ 147</u>
<u>2003 Current Tax Collection Fund</u>				
<u>ASSETS</u>				
Cash and Cash Equivalents	\$ --	\$ 7,643,623	\$ 6,946,859	\$ 696,764
<u>LIABILITIES</u>				
Accounts Payable	\$ --	\$ 54,160	\$ --	\$ 54,160
Due to General Fund	--	264,826	221,518	43,308
Due to Fire Fund	--	208,404	187,661	20,743
Due to Police Fund	--	417,874	376,303	41,571
Due to Library System Fund	--	145,829	131,322	14,507
Due to General Debt Service Fund	--	53,521	49,688	3,833
Due to Water Supply and Sewage Disposal System Fund	--	41,602	36,124	5,478
Due to Other Governmental Units	--	6,457,407	5,944,243	513,164
Total Liabilities	<u>\$ --</u>	<u>\$ 7,643,623</u>	<u>\$ 6,946,859</u>	<u>\$ 696,764</u>

The accompanying notes are an integral part of this statement.

Sumpter Township
Agency Funds
Combining Statement of Changes in Assets and Liabilities
For the Year Ended March 31, 2004
(Page 2 of 2)

	Balance April 1, 2003	Additions	Deductions	Balance March 31, 2004
<u>Central Dispatch Network Fund</u>				
<u>ASSETS</u>				
Cash and Cash Equivalents	\$ 23,295	\$ 317,029	\$ 328,867	\$ 11,457
Accounts Receivable	14,722	337,937	330,977	21,682
Due from General Fund	2,374	7,377	2,907	6,844
Prepaid Items	492	522	492	522
Total Assets	<u>\$ 40,883</u>	<u>\$ 662,865</u>	<u>\$ 663,243</u>	<u>\$ 40,505</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 3,165	\$ 101,411	\$ 76,749	\$ 27,827
Salaries Payable	7,952	259,072	258,573	8,451
Pension Payable	2,206	10,501	10,089	2,618
Due to Other Governmental Units	27,560	291,881	317,832	1,609
Total Liabilities	<u>\$ 40,883</u>	<u>\$ 662,865</u>	<u>\$ 663,243</u>	<u>\$ 40,505</u>
<u>TOTAL - AGENCY FUNDS</u>				
<u>ASSETS</u>				
Cash and Cash Equivalents	\$ 743,684	\$ 8,161,684	\$ 8,006,547	\$ 898,821
Accounts Receivable	19,405	337,937	335,660	21,682
Due from General Fund	2,374	7,377	2,907	6,844
Due from Water Supply and Sewage Disposal System Fund	995	--	848	147
Prepaid Items	492	522	492	522
Total Assets	<u>\$ 766,950</u>	<u>\$ 8,507,520</u>	<u>\$ 8,346,454</u>	<u>\$ 928,016</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 3,165	\$ 155,571	\$ 76,749	\$ 81,987
Salaries Payable	7,952	259,072	258,573	8,451
Pension Payable	2,206	10,501	10,089	2,618
Due to General Fund	30,722	304,343	259,677	75,388
Due to Fire Fund	19,994	230,361	206,457	43,898
Due to Police Fund	40,026	461,550	413,970	87,606
Due to Library System Fund	13,985	161,129	144,467	30,647
Due to Community Development Block Grant Fund	322	--	322	--
Due to General Debt Service Fund	4,888	59,294	54,576	9,606
Due to Water Supply and Sewage Disposal System Fund	7,738	71,208	44,562	34,384
Due to Other Governmental Units	635,952	6,794,491	6,877,012	553,431
Total Liabilities	<u>\$ 766,950</u>	<u>\$ 8,507,520</u>	<u>\$ 8,346,454</u>	<u>\$ 928,016</u>

The accompanying notes are an integral part of this statement.

GENERAL FIXED ASSETS ACCOUNT GROUP

To account for fixed assets not used in Proprietary Fund operations.

Sumpter Township
Comparative Schedule of General Fixed Assets - By Source
For the Year Ended March 31, 2004

	Balance April 1, <u>2003</u>	<u>Additions</u>	<u>Deductions</u>	Balance March 31, <u>2004</u>
<u>Assets</u>				
Land and Land Improvements	\$ 448,457	\$ 32,300	\$ --	\$ 480,757
Buildings	3,358,091	55,141	--	3,413,232
Equipment	1,304,833	99,255	--	1,404,088
Machinery	155,943	--	--	155,943
Vehicles	1,541,504	80,356	20,279	1,601,581
Investment in Joint Venture	63,532	26,251	--	89,783
Highways and Streets	349,978	--	--	349,978
	<hr/>	<hr/>	<hr/>	<hr/>
Totals	<u>\$ 7,222,338</u>	<u>\$ 293,303</u>	<u>\$ 20,279</u>	<u>\$ 7,495,362</u>
 <u>Investment in General Fixed Assets:</u>				
Federal Grants	\$ 264,271	\$ --	\$ --	\$ 264,271
State Grants	110,177	--	--	110,177
General Fund Revenues	3,413,884	238,162	20,279	3,631,767
Federal Revenue Sharing	150,273	--	--	150,273
Community Development				
Block Grants	897,379	53,172	--	950,551
Fire Funds	1,950,047	1,969	--	1,952,016
Bingo Funds	1,955	--	--	1,955
Private Gifts	84,374	--	--	84,374
Capital Projects Fund	349,978	--	--	349,978
	<hr/>	<hr/>	<hr/>	<hr/>
Totals	<u>\$ 7,222,338</u>	<u>\$ 293,303</u>	<u>\$ 20,279</u>	<u>\$ 7,495,362</u>

Sumpter Township
Schedule of General Fixed Assets
By Function and Activity
For the Year Ended March 31, 2004

	Land and Buildings and Other <u>Improvements</u>	<u>Vehicles</u>	Office <u>Equipment</u>	Machinery and <u>Equipment</u>	<u>Total</u>
General Government:					
Trustee	\$ --	\$ --	\$ 2,513	\$ --	\$ 2,513
Supervisor	--	--	49,059	--	49,059
Accounting	--	--	100,746	--	100,746
Elections	--	--	--	106,257	106,257
Clerk	--	--	72,550	--	72,550
Treasurer	--	--	74,419	--	74,419
Custodial	--	--	5,296	--	5,296
Township Hall and Grounds	436,554	3,393	296,841	18,600	755,388
Community Center	1,171,455	65,998	94,090	6,877	1,338,420
Environmental	--	--	44,401	--	44,401
PNA Hall	91,591	--	--	24,506	116,097
Other Township Property	50,488	--	251	--	50,739
Total General Government	<u>1,750,088</u>	<u>69,391</u>	<u>740,166</u>	<u>156,240</u>	<u>2,715,885</u>
Public Safety:					
Police	70,492	521,943	189,909	82,689	865,033
Fire	1,706,227	932,148	144,444	118,176	2,900,995
Building Department	--	40,659	42,822	--	83,481
Animal Control	30,341	28,082	--	5,375	63,798
Department of Public Works	--	--	--	30,547	30,547
Investment in Joint Venture	--	--	--	89,783	89,783
Total Public Safety	<u>1,807,060</u>	<u>1,522,832</u>	<u>377,175</u>	<u>326,570</u>	<u>4,033,637</u>
Highway and Streets	<u>349,978</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>349,978</u>
Library	<u>57,500</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>57,500</u>
Parks and Recreation	<u>279,341</u>	<u>9,358</u>	<u>24,435</u>	<u>25,228</u>	<u>338,362</u>
Total General Fixed Assets Allocated to Functions	<u>\$ 4,243,967</u>	<u>\$ 1,601,581</u>	<u>\$ 1,141,776</u>	<u>\$ 508,038</u>	<u>\$ 7,495,362</u>

Sumpter Township
Schedule of Changes in General Fixed Assets
By Function and Activity
For the Year Ended March 31, 2004

	General Fixed Assets <u>April 1, 2003</u>	<u>Additions</u>	<u>Deductions</u>	General Fixed Assets <u>March 31, 2004</u>
General Government:				
Trustee	\$ 2,513	\$ --	\$ --	\$ 2,513
Supervisor	43,280	5,779	--	49,059
Accounting	100,746	--	--	100,746
Elections	103,977	2,280	--	106,257
Clerk	72,550	--	--	72,550
Treasurer	74,419	--	--	74,419
Custodial	5,296	--	--	5,296
Township Hall and Grounds	687,981	67,407	--	755,388
Community Center	1,272,799	65,621	--	1,338,420
Environmental	44,401	--	--	44,401
PNA Hall	116,097	--	--	116,097
Other Township Property	40,739	10,000	--	50,739
Total General Government	<u>2,564,798</u>	<u>151,087</u>	<u>--</u>	<u>2,715,885</u>
Public Safety:				
Police	776,599	108,713	20,279	865,033
Fire	2,899,026	1,969	--	2,900,995
Building Department	83,481	--	--	83,481
Animal Control	63,798	--	--	63,798
Department of Public Works	25,264	5,283	--	30,547
Investment in Joint Venture	63,532	26,251	--	89,783
Total Public Safety	<u>3,911,700</u>	<u>142,216</u>	<u>20,279</u>	<u>4,033,637</u>
Highway and Streets	<u>349,978</u>	<u>--</u>	<u>--</u>	<u>349,978</u>
Library	<u>57,500</u>	<u>--</u>	<u>--</u>	<u>57,500</u>
Parks and Recreation	<u>338,362</u>	<u>--</u>	<u>--</u>	<u>338,362</u>
Total General Fixed Assets	<u>\$ 7,222,338</u>	<u>\$ 293,303</u>	<u>\$ 20,279</u>	<u>\$ 7,495,362</u>

GENERAL LONG-TERM DEBT
ACCOUNT GROUP

Sumpter Township
Statement of General Long-Term Debt
March 31, 2004
With Comparative Totals for March 31, 2003

Amount Available and to be Provided
for the Payment of Long-Term Debt

	March 31, <u>2004</u>	March 31, <u>2003</u>
Amount Available in General Debt Service Fund	\$ 65,888	\$ 60,375
Amount to be Provided	<u>1,096,376</u>	<u>1,111,872</u>
	<u>\$ 1,162,264</u>	<u>\$ 1,172,247</u>

General Long-Term Debt Payable

General Obligation Bonds	\$ 795,000	\$ 870,000
Special Assessments Bonds	260,073	302,247
Capital Leases	<u>107,191</u>	<u>--</u>
	<u>\$ 1,162,264</u>	<u>\$ 1,172,247</u>

The accompanying notes are an integral part of this statement.

Sumpter Township
Schedule of Indebtedness
March 31, 2004

	<u>Date</u>	<u>Original Amount</u>	<u>Interest Rate</u>	<u>Due Date</u>	<u>Installment</u>	<u>Total Payable</u>
General Obligation Bonds:						
1996 Public Safety - Facility Bonds	10/16/96	\$ 1,200,000	5.00%	Semi-Annually	\$ 75,000	\$ 795,000
			thru 5.55%		\$ 120,000	
2000 Special Assessment Bonds	10/10/00	400,653	5.00%	Semi-Annually	\$ 42,174	\$ 260,073
			thru 5.20%		\$ 45,689	
Capital Leases:						
4 Police Vehicles plus Equipment	2/09/04	164,635	4.75%	Annually	\$ 57,444	<u>\$ 107,191</u>
						<u>\$ 1,162,264</u>

OTHER FINANCIAL INFORMATION

POST, SMYTHE, LUTZ & ZIEL LLP

Certified Public Accountants

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**REPORT ON COMPLIANCE AND ON INTERNAL
CONTROL OVER FINANCIAL REPORTING BASED
ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

July 9, 2004

To the Township Board
Sumpter Township
Belleville, Michigan 48111

We have audited the general purpose financial statements of Sumpter Township, Michigan, as of and for the year ended March 31, 2004, and have issued our report thereon dated July 9, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether Sumpter Township, Michigan's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Sumpter Township, Michigan's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that we have reported to management of Sumpter Township, Michigan, in a separate letter dated September 16, 2004.

This report is intended solely for the information and use of management, the Township Board, and federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,



POST, SMYTHE, LUTZ & ZIEL LLP
Certified Public Accountants
Wayne, Michigan

POST, SMYTHE, LUTZ & ZIEL LLP

Certified Public Accountants

WAYNE

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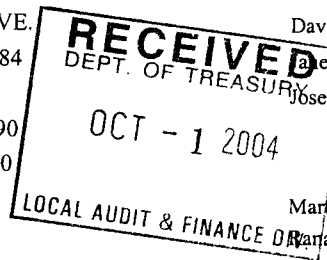
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September 16, 2004

Sumpter Township
23480 Sumpter Road
Belleville, MI 48111

To the Members of the Board:

We have completed the audit and reports of the financial condition of Sumpter Township, Michigan, for the year ended March 31, 2004. We have the following comments and recommendations as a result of our audit work:

1. Bank reconciliations should be prepared monthly on a timely basis and reconciled to the Treasurer's book to ensure that management is relying on accurate cash figures.
2. A review of the general ledger should be performed monthly on a timely basis to ensure that items are properly recorded.
3. Entries resulting from monthly bank reconciliations and review of the general ledger should be recorded timely each month prior to closing the month, in order to provide accurate year to date financial data throughout the year.
4. The Township should review and strengthen internal control procedures for the cash collected during the Sumpter Township Festival.

If we can be of further assistance in these matters, please contact our office.

Very truly yours,

POST, SMYTHE, LUTZ & ZIEL LLP
Certified Public Accountants